

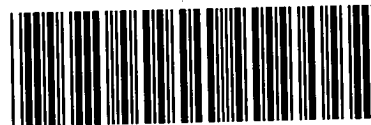
Registration number 2527559

Cema Limited

Directors' report and consolidated financial statements

for the year ended 31 December 2013

TUESDAY



A3HHWIO2

A55

30/09/2014

#9

COMPANIES HOUSE

Cema Limited

Company information

Directors	F G Ciaurro S K Binns M Jakubiak P Littlehales R D Sharpe P Gregory J Smith R Eley I Spooner
Secretary	M Jakubiak
Company number	2527559
Registered office	White House Wollaton Street Nottingham NG1 5GF
Auditors	Higson & Co White House Wollaton Street Nottingham NG1 5GF
Business address	Victoria Business Park Pintail Close Netherfield Nottingham NG4 2SG
Bankers	Yorkshire Bank plc 11 Smithy Row Nottingham NG1 3EJ

Cema Limited

Contents

	Page
Strategic Report	1
Directors' report	2 - 3
Auditors' report	4 - 5
Consolidated profit and loss account	6
Company profit and loss account	7
Consolidated balance sheet	8
Company balance sheet	9
Consolidated cash flow statement	10
Notes to the consolidated financial statements	11 - 28

Cema Limited

Strategic report for the year ended 31 December 2013

The directors present their Strategic report for the year ended 31 December 2013.

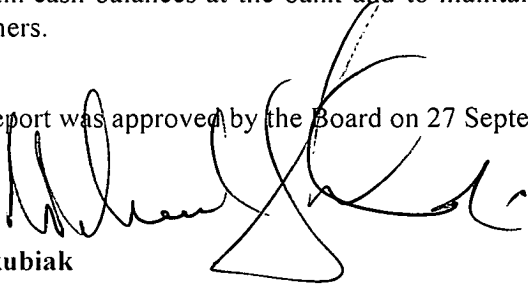
Business review

The company has traded profitably in the financial year under review. As a result of policies implemented during the financial year to reduce costs overall margins have improved on the previous year. The directors have continued with this policy since the year end and the company is projected to make a further good profit.

Financial risk management objectives and policies

The objective of the Directors is to continue to grow the turnover of the company within the water industry and to expand in to new market sectors utilising their current expertise. They consider the sectors they work in and those that they intend to expand into as being low risk, largely due to the company's experience in the technology utilised in these sectors. The policy of the Directors is to maintain cash balances at the bank and to maintain good relationships with all its suppliers and customers.

This report was approved by the Board on 27 September 2014 and signed on its behalf by

A handwritten signature in black ink, appearing to be 'M Jakubiak', written over a faint circular stamp.

M Jakubiak
Director

Cema Limited

Directors' report for the year ended 31 December 2013

The directors present their report and the financial statements of the company and the group for the year ended 31 December 2013.

Principal activity

The principal activity of the group is that of electricians and manufacturers of water and sewerage pump controls.

Results and dividends

The results of the group for the year are set out on page 5.

The results of the parent company Cema Limited are set out on page 6.

Financial risk management objectives and policies

The objective of the Directors is to continue to grow the turnover of the company within the water industry and to expand into new market sectors utilising their current expertise. They consider the sectors they work in and those that they intend to expand into as being low risk, largely due to the company's experience in the technology utilised in these sectors. The policy of the Directors is to maintain cash balances at the bank and to maintain good relationships with all of its suppliers and customers.

Directors

The directors who served during the year are as stated below:

F G Ciaurro	P Gregory
S K Binns	J Smith
M Jakubiak	R Eley
P Littlehales	I Spooner
R D Sharpe	

Charitable Donations

During the year the company contributed £8,240 to charities.

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;

Cema Limited

**Directors' report
for the year ended 31 December 2013**

..... continued

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

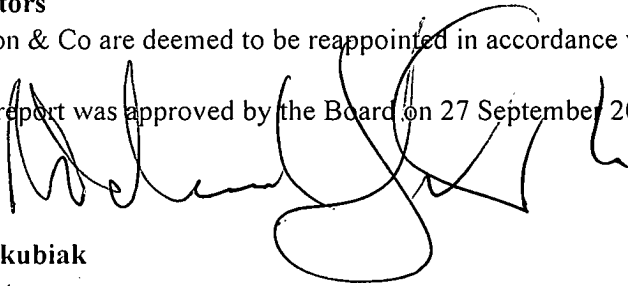
In so far as the directors are aware:

- there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and
- the directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

Higson & Co are deemed to be reappointed in accordance with Section 487(2) of the Companies Act 2006.

This report was approved by the Board on 27 September 2014 and signed on its behalf by

A large, stylized handwritten signature in black ink, likely belonging to M Jakubiak, is written over the text of the report approval.

**M Jakubiak
Director**

Independent auditor's report to the shareholders of Cema Limited

We have audited the financial statements of Cema Limited for the year ended 31 December 2013 which comprise the Group and Parent Company Profit and Loss Account, the Group and Parent Company Balance Sheet, the Group Cash Flow Statement, the Reconciliation of Movements in Shareholders' Funds and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 2 - 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Directors' report and financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications of our report.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2013 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006.

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

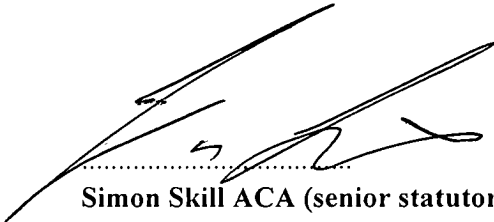
**Independent auditor's report to the shareholders of
Cema Limited**

.....continued

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



**Simon Skill ACA (senior statutory auditor)
For and on behalf of Higson & Co**

**Statutory Auditors
27 September 2014**

**White House
Wollaton Street
Nottingham
NG1 5GF**

Cema Limited

**Consolidated Profit and loss account
for the year ended 31 December 2013**

		Continuing operations	
		2013	2012
	Notes	£	£
Turnover	2	36,862,155	38,521,509
Cost of sales		(31,890,855)	(33,947,069)
Gross profit		4,971,300	4,574,440
Administrative expenses		(4,089,460)	(4,498,149)
Other operating income		22,889	27,333
Operating profit	3	904,729	103,624
Investment income	5	-	(26,000)
Other interest receivable and similar income	6	320,334	319,724
Interest payable and similar charges	7	(265,053)	(217,900)
Profit on ordinary activities before taxation		960,010	179,448
Tax on profit on ordinary activities	10	(43,621)	(12,294)
Profit for the year	22	916,389	167,154
Retained profit brought forward		4,346,690	4,183,253
Reserve Movements		3,047	(3,717)
Retained profit carried forward		5,266,126	4,346,690

There are no recognised gains or losses other than the profit or loss for the above two financial years.

The notes on pages 11 to 28 form an integral part of these financial statements.

Cema Limited

**Company Profit and loss account
for the year ended 31 December 2013**

		Continuing operations	
		2013	2012
	Notes	£	£
Turnover	2	15,162,137	20,733,105
Cost of sales		(12,972,287)	(18,890,945)
Gross profit		<u>2,189,850</u>	<u>1,842,160</u>
Administrative expenses		(1,384,817)	(1,725,225)
Operating (loss)/profit	3	<u>805,033</u>	<u>116,935</u>
Investment income	5	51,000	6,000
Interest payable and similar charges	7	(97,637)	86,441
Profit on ordinary activities before taxation		<u>758,396</u>	<u>24,494</u>
Tax on profit on ordinary activities	10	(519)	1,187
Profit for the year	22	<u>757,877</u>	<u>23,307</u>
Retained profit brought forward		4,743,190	4,719,883
Reserve Movements		85,000	-
Retained profit carried forward		<u><u>5,416,067</u></u>	<u><u>4,743,190</u></u>

There are no recognised gains or losses other than the profit or loss for the above two financial years.

The notes on pages 11 to 28 form an integral part of these financial statements.

Cema Limited

**Consolidated Balance sheet
as at 31 December 2013**

		2013		2012	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	12		76,781		49,093
Tangible assets	13		1,407,023		1,878,421
Investments	14		1,130,964		1,081,213
			<u>2,614,768</u>		<u>3,008,727</u>
Current assets					
Stocks	15	2,506,351		2,187,131	
Debtors	16	10,211,777		10,591,013	
Cash at bank and in hand		398,713		-	
		<u>13,116,841</u>		<u>12,778,144</u>	
Creditors: amounts falling due within one year	17	(10,829,350)		(11,434,288)	
Net current assets			<u>2,287,491</u>		<u>1,343,856</u>
Total assets less current liabilities			4,902,259		4,352,583
Creditors: amounts falling due after more than one year	18		(49,443)		(332,212)
Provisions for liabilities	19		<u>(15,270)</u>		<u>(5,728)</u>
Net assets			<u>4,837,546</u>		<u>4,014,643</u>
Capital and reserves					
Called up share capital	21		10,017		10,017
Share premium account	22		2,968		2,968
Minority interest	22		(441,565)		(345,032)
Profit and loss account	22		5,266,126		4,346,690
Shareholders' funds	23		<u>4,837,546</u>		<u>4,014,643</u>

The financial statements were approved by the Board on 27 September 2014 and signed on its behalf by

M Jakubiak
Director

Registration number 2527559

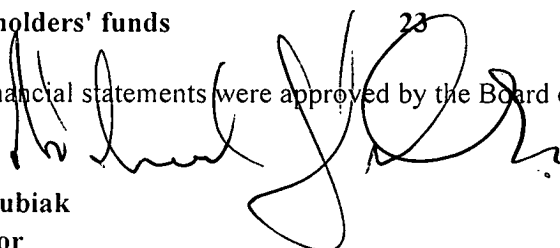
The notes on pages 11 to 28 form an integral part of these financial statements.

Cema Limited

**Company balance sheet
as at 31 December 2013**

		2013		2012	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	13		208,358		690,190
Investments	14		3,164,615		3,164,615
			<u>3,372,973</u>		<u>3,854,805</u>
Current assets					
Stocks	15	137,785		138,442	
Debtors	16	6,233,999		7,019,193	
Cash at bank and in hand		394,038		24,887	
		<u>6,765,822</u>		<u>7,182,522</u>	
Creditors: amounts falling due within one year	17	(4,624,019)		(5,963,523)	
Net current assets			<u>2,141,803</u>		<u>1,218,999</u>
Total assets less current liabilities			5,514,776		5,073,804
Creditors: amounts falling due after more than one year	18		(85,724)		(317,629)
Net assets			<u>5,429,052</u>		<u>4,756,175</u>
Capital and reserves					
Called up share capital	21		10,017		10,017
Share premium account	22		2,968		2,968
Profit and loss account	22		5,416,067		4,743,190
Shareholders' funds	23		<u>5,429,052</u>		<u>4,756,175</u>

The financial statements were approved by the Board on 27 September 2014 and signed on its behalf by



M Jakubiak
Director

Registration number 2527559

The notes on pages 11 to 28 form an integral part of these financial statements.

Cema Limited

**Consolidated Cash Flow Statement
for the year ended 31 December 2013**

	Notes	2013 £	2012 £
Reconciliation of operating profit to net cash inflow from operating activities			
Operating profit		904,729	103,624
Depreciation		87,465	396,307
(Increase) in stocks		(319,220)	(297,918)
Decrease in debtors		379,236	1,558,623
Increase in creditors		671,519	(2,903,716)
(Decrease) in provisions		-	(38,850)
Minority interest adjustment		-	(67,411)
Net cash inflow from operating activities		<u>1,723,729</u>	<u>(1,249,341)</u>
Cash flow statement			
Net cash inflow from operating activities		1,723,729	(1,249,341)
Returns on investments and servicing of finance	26	55,281	101,824
Taxation	26	(7,331)	-
Capital expenditure and financial investment	26	387,160	(23,200)
Acquisitions and disposals	26	-	(26,000)
		<u>2,158,839</u>	<u>(1,196,717)</u>
Equity dividends paid		(95,500)	(8,000)
		<u>2,063,339</u>	<u>(1,204,717)</u>
Financing	26	(862,847)	461,498
Increase in cash in the year		<u>1,200,492</u>	<u>(743,219)</u>
Reconciliation of net cash flow to movement in net funds (Note 27)			
Increase in cash in the year		1,200,492	(743,219)
Cash inflow from increase in debts and lease financing		862,847	(461,498)
		<u>2,063,339</u>	<u>(1,204,717)</u>
Change in net funds resulting from cash flows		2,063,339	(1,204,717)
New finance leases and hire purchase contracts		(80,666)	(153,923)
Movement in net funds in the year		1,982,673	(1,358,640)
Net debt at 1 January 2013		<u>(2,021,960)</u>	<u>(663,320)</u>
Net debt at 31 December 2013		<u>(39,287)</u>	<u>(2,021,960)</u>

Cema Limited

Notes to the consolidated financial statements for the year ended 31 December 2013

1. Accounting policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention and comply with financial reporting standards of the Accounting Standards Board.

The group has consistently applied all relevant accounting standards.

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

1.3. Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of 10 years.

1.4. Research and development

Research expenditure is written off to the profit and loss account in the year in which it is incurred.

1.5. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Land and buildings	-	Straight line over fifty years
Plant and machinery	-	15% Reducing Balance
Fixtures, fittings and equipment	-	15% Reducing Balance
Motor vehicles	-	25% straight line

1.6. Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce constant periodic rates of charge on the net obligations outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.7. Investments

Fixed asset investments are stated at cost less provision for permanent diminution in value.

1.8. Stock and work in progress

Stock and work in progress are valued at the lower of cost and net realisable value.

Cema Limited

Notes to the consolidated financial statements for the year ended 31 December 2013

..... continued

1.9. Pensions

The pension costs charged in the financial statements represent the contribution payable by the group during the year.

1.10. Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax:

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

2. Turnover

The total turnover of the group for the year has been derived from its principal activity wholly undertaken in the UK.

3. Operating profit

	2013	2012
	£	£
Operating profit is stated after charging:		
Depreciation and other amounts written off intangible assets	20,920	16,107
Depreciation		
- written off owned tangible fixed assets	248,496	233,228
- written off tangible fixed assets on HP/Finance lease	113,455	141,126
Loss on disposal of tangible fixed assets	-	5,846
Research and development		
- expenditure in current year	134,095	-
Operating lease rentals		
- Motor vehicles	110,865	73,362
Auditors' remuneration (Note 4)	61,675	54,900
	<u>295,406</u>	<u>-</u>
and after crediting:		
Profit on disposal of tangible fixed assets	<u>295,406</u>	<u>-</u>

Cema Limited

**Notes to the consolidated financial statements
for the year ended 31 December 2013**

..... continued

4. Auditors' remuneration

	2013	2012
	£	£
Auditors' remuneration - audit of the financial statements	<u>54,675</u>	<u>48,200</u>
Auditors' remuneration - other fees:		
- taxation services	<u>7,000</u>	<u>6,700</u>

5. Income from investments

	2013	2012
	£	£
Profit on disposal of investments	<u>-</u>	<u>(26,000)</u>

6. Interest receivable and similar income

	2013	2012
	£	£
Bank interest	126	80
Other interest	<u>320,208</u>	<u>319,644</u>
	<u>320,334</u>	<u>319,724</u>

7. Interest payable and similar charges

	2013	2012
	£	£
Interest payable on loans < 1 yr	103,216	75,327
Hire purchase interest	147,643	140,446
On overdue tax	<u>14,194</u>	<u>2,127</u>
	<u>265,053</u>	<u>217,900</u>

Cema Limited

**Notes to the consolidated financial statements
for the year ended 31 December 2013**

..... continued

8. Employees

Number of employees	2013	2012
The average monthly numbers of employees (including the directors) during the year were:		
Management and administration	73	85
Production and sales	329	388
	<u>402</u>	<u>473</u>

Employment costs	2013	2012
	£	£
Wages and salaries	12,438,772	15,366,409
Social security costs	1,119,563	1,022,839
Pension costs	111,645	107,849
	<u>13,669,980</u>	<u>16,497,097</u>

8.1. Directors' remuneration	2013	2012
Remuneration and other emoluments	568,390	695,917
Pension contributions	7,822	7,774
	<u>576,212</u>	<u>805,426</u>

	Number	Number
Number of directors to whom retirement benefits are accruing under a money purchase scheme	2	2

Highest paid director	£	£
Amounts included above:		
Emoluments and other benefits	43,138	44,245
Pension contributions	7,239	6,374
	<u>50,377</u>	<u>50,619</u>

Cema Limited

Notes to the consolidated financial statements for the year ended 31 December 2013

..... continued

9. Pension costs

The company operates a defined contribution pension scheme in respect of the directors and certain other members of staff. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £111,645 (2012 - £107,849).

10. Tax on profit on ordinary activities

Analysis of charge in period	2013 £	2012 £
Current tax		
UK corporation tax	43,621	11,149
Total current tax charge	<u>43,621</u>	<u>11,149</u>
Deferred tax		
Timing differences, origination and reversal	-	1,145
Total deferred tax	<u>-</u>	<u>1,145</u>
Tax on profit on ordinary activities	<u>43,621</u>	<u>12,294</u>

11. Dividends

Dividends paid and proposed on equity shares	2013 £	2012 £
Paid during the year:		
Equity dividends on Ordinary shares	95,500	8,000
	<u>95,500</u>	<u>8,000</u>

In 2013 the directors who received dividends were F G Ciaurro £5,000, S Binns £5,000, M Jakubiak £5,000, P Littlehales £5,000 R Sharpe £5,000, P Gregory £7,500, J Smith £7,500, R Eley £7,500 and I Spooner £7,500.

In 2013 B C Lewis who is a director of Lloyd Morris Electrical Limited received a dividend of £10,500.

In 2012 P Cumberland who was a director of Viking Pumps Limited received a dividend of £8,000.

Cema Limited

**Notes to the consolidated financial statements
for the year ended 31 December 2013**

..... continued

12. Intangible fixed assets - Group

	Goodwill	Total
	£	£
Cost		
At 1 January 2013	119,256	119,256
Additions	48,608	48,608
At 31 December 2013	<u>167,864</u>	<u>167,864</u>
Amortisation		
At 1 January 2013	70,163	70,163
Charge for year	20,920	20,920
At 31 December 2013	<u>91,083</u>	<u>91,083</u>
Net book values		
At 31 December 2013	<u>76,781</u>	<u>76,781</u>
At 31 December 2012	<u>49,093</u>	<u>49,093</u>

Cema Limited

**Notes to the consolidated financial statements
for the year ended 31 December 2013**

..... continued

13. Tangible fixed assets - Group	Land and buildings freehold £	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
Cost					
At 1 January 2013	732,071	1,671,262	776,081	1,668,405	4,847,819
Additions	-	167,405	11,821	141,500	320,726
Disposals	(533,530)	(54,150)	(38,756)	(216,211)	(842,647)
At 31 December 2013	<u>198,541</u>	<u>1,784,517</u>	<u>749,146</u>	<u>1,593,694</u>	<u>4,325,898</u>
Depreciation					
At 1 January 2013	140,280	936,671	622,719	1,269,728	2,969,398
On disposals	(135,080)	(49,078)	(38,756)	(189,560)	(412,474)
Charge for the year	2,600	164,128	27,738	167,485	361,951
At 31 December 2013	<u>7,800</u>	<u>1,051,721</u>	<u>611,701</u>	<u>1,247,653</u>	<u>2,918,875</u>
Net book values					
At 31 December 2013	<u>190,741</u>	<u>732,796</u>	<u>137,445</u>	<u>346,041</u>	<u>1,407,023</u>
At 31 December 2012	<u>591,791</u>	<u>734,591</u>	<u>153,362</u>	<u>398,677</u>	<u>1,878,421</u>
Tangible fixed assets - Company	Land and buildings freehold £	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
Cost					
At 1 January 2013	533,530	129,105	525,522	854,685	2,042,842
Disposals	(533,530)	-	-	(103,719)	(637,249)
At 31 December 2013	<u>-</u>	<u>129,105</u>	<u>525,522</u>	<u>750,966</u>	<u>1,405,593</u>
Depreciation					
At 1 January 2013	135,080	80,680	398,307	738,585	1,352,652
On disposals	-135,080	-	-	(101,093)	(236,173)
Charge for the year	-	7,260	19,080	54,416	80,756
At 31 December 2013	<u>-</u>	<u>87,940</u>	<u>417,387</u>	<u>691,908</u>	<u>1,197,235</u>
Net book values					
At 31 December 2013	<u>-</u>	<u>41,165</u>	<u>108,135</u>	<u>59,058</u>	<u>208,358</u>
At 31 December 2012	<u>398,450</u>	<u>48,425</u>	<u>127,215</u>	<u>116,100</u>	<u>690,190</u>

Cema Limited

**Notes to the consolidated financial statements
for the year ended 31 December 2013**

..... continued

Included above are assets held under finance leases or hire purchase contracts as follows:

Group	2013		2012	
	Net	Depreciation	Net	Depreciation
Asset description	book value	charge	book value	charge
	£	£	£	£
Plant and machinery	89,085	19,038	321,478	42,126
Motor vehicles	191,100	94,417	207,683	99,000
	<u>280,185</u>	<u>113,455</u>	<u>529,161</u>	<u>141,126</u>
	<u><u>280,185</u></u>	<u><u>113,455</u></u>	<u><u>529,161</u></u>	<u><u>141,126</u></u>
Company	2013		2012	
	Net	Depreciation	Net	Depreciation
Asset description	book value	charge	book value	charge
	£	£	£	£
Plant and machinery	11,682	2,062	13,744	2,426
Motor vehicles	56,917	48,759	113,227	59,596
	<u>68,599</u>	<u>50,821</u>	<u>126,971</u>	<u>62,022</u>
	<u><u>68,599</u></u>	<u><u>50,821</u></u>	<u><u>126,971</u></u>	<u><u>62,022</u></u>

Cema Limited

**Notes to the consolidated financial statements
for the year ended 31 December 2013**

..... continued

14. Fixed asset investments - Group	Investment properties £	Goodwill on consolidation	Total £
		£	
Cost			
At 1 January 2013	475,914	605,299	1,081,213
Additions	-	49,751	49,751
At 31 December 2013	<u>475,914</u>	<u>655,050</u>	<u>1,130,964</u>
Net book values			
At 31 December 2013	<u>475,914</u>	<u>655,050</u>	<u>1,130,964</u>
At 31 December 2012	<u>475,914</u>	<u>605,299</u>	<u>1,081,213</u>

Fixed asset investments - Company	Investment properties £	Other unlisted investments	Total £
		£	
Cost			
At 1 January 2013	475,914	2,688,701	3,164,615
At 31 December 2013	<u>475,914</u>	<u>2,688,701</u>	<u>3,164,615</u>
Net book values			
At 31 December 2013	<u>475,914</u>	<u>2,688,701</u>	<u>3,164,615</u>
At 31 December 2012	<u>475,914</u>	<u>2,688,701</u>	<u>3,164,615</u>

Cema Limited

Notes to the consolidated financial statements for the year ended 31 December 2013

..... continued

14.1. Holdings of 20% or more

Cema Limited holds 20% or more of the share capital of the following companies:

Company	Country of registration or incorporation	Nature of business	Shares held class	Proportion of shares held
Subsidiary undertaking				
Cema Solutions Limited	England & Wales	Provision of finance facilities	Ordinary	100%
Nottingham Crane Hire Limited	England & Wales	Hauliers	Ordinary	100%
Cema Commercial Limited	England & Wales	Water pumping equipment	Ordinary	100%
Viking Pumps Limited	England & Wales	Water pumping equipment	Ordinary	100%
Cema Business Solutions Limited	England & Wales	Vending machines	Ordinary	75%
Labtec Services Limited	England & Wales	Water pumping equipment	Ordinary	75%
Warboys Services Limited	England & Wales	Water pumping equipment	Ordinary	76%
Lloyd Morris Electrical Limited	England & Wales	Water pumping equipment	Ordinary	75%
Cema Site Installations Limited	England & Wales	Project management	Ordinary	100%
Merlin Systems Limited	England & Wales	Industrial systems engineers	Ordinary	90%
Cema Tracking Solutions Limited	England & Wales	Vehicle tracking	Ordinary	100%

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Capital and reserves £	Profit for the year £
Cema Solutions Limited	1,436,030	291,604
Nottingham Crane Hire Limited	(96,276)	(41,645)
Cema Commercial Limited	(678)	-
Viking Pumps Limited	1,244,163	5,924
Cema Business Solutions Limited	(788,290)	(136,833)
Labtec Services Limited	(711,625)	(39,980)
Warboys Services Limited	(401,680)	(102,286)
Cema Tracking Solutions Limited	327,217	(76,688)

Cema Limited

Notes to the consolidated financial statements for the year ended 31 December 2013

..... continued

Lloyd Morris Electrical Limited	939,201	221,497
Merlin Systems Limited	99,790	23,900
Cema Site Installations Limited	56,564	64,019

15. Stocks	Group		Company	
	2013 £	2012 £	2013	2012
Raw materials and consumables	673,381	750,083	137,785	138,442
Work in progress	1,832,970	1,437,048	-	-
	<u>2,506,351</u>	<u>2,187,131</u>	<u>137,785</u>	<u>138,442</u>

16. Debtors	Group		Company	
	2013 £	2012 £	2013 £	2012 £
Trade debtors	9,921,661	10,178,636	2,936,335	4,137,714
Amounts owed by group undertakings	-	-	3,179,076	2,755,345
Other debtors	100,353	322,900	87,799	98,757
Prepayments and accrued income	189,763	89,477	30,789	27,377
	<u>10,211,777</u>	<u>10,591,013</u>	<u>6,233,999</u>	<u>7,019,193</u>

Cema Limited

**Notes to the consolidated financial statements
for the year ended 31 December 2013**

..... continued

17. Creditors: amounts falling due within one year	Group		Company	
	2013 £	2012 £	2013 £	2012 £
Bank overdraft	-	798,967	-	673,187
Other loans	243,039	823,117	-	573,528
Net obligations under finance leases and hire purchase contracts	148,330	67,664	197,483	67,664
Trade creditors	4,576,384	3,595,373	2,254,079	1,608,465
Amounts owed to group undertaking	-	-	317,958	51,942
Corporation tax	32,730	10,808	519	1,187
Other taxes and social security costs	1,219,295	1,280,016	470,117	620,256
Directors' accounts	2,537,071	2,596,725	1,103,585	1,796,169
Other creditors	19,815	273,888	17,500	269,315
Accruals and deferred income	2,052,686	1,987,730	262,778	301,810
	<u>10,829,350</u>	<u>11,434,288</u>	<u>4,624,019</u>	<u>5,963,523</u>

The bank borrowing facilities are secured by a debenture giving a fixed and floating charge over the assets of the company.

18. Creditors: amounts falling due after more than one year	Group		Company	
	2013 £	2012 £	2013 £	2012 £
Other loans	-	245,953	-	231,370
Net obligations under finance leases and hire purchase contracts	49,443	86,259	85,724	86,259
	<u>49,443</u>	<u>332,212</u>	<u>85,724</u>	<u>317,629</u>

Cema Limited

**Notes to the consolidated financial statements
for the year ended 31 December 2013**

..... continued

19. Provisions for liabilities - Group

	Deferred taxation (Note 20) £	Total £
At 1 January 2013	5,728	5,728
Movements in the year	9,542	9,542
At 31 December 2013	<u>15,270</u>	<u>15,270</u>

20. Provision for deferred taxation - Group

	2013 £	2012 £
Accelerated capital allowances	15,270	5,728
Provision for deferred tax	<u>15,270</u>	<u>5,728</u>
Provision at 1 January 2013	<u>5,728</u>	
Provision at 31 December 2013	<u>5,728</u>	

Cema Limited

Notes to the consolidated financial statements for the year ended 31 December 2013

..... continued

21. Share capital	2013	2012
	£	£
Allotted, called up and fully paid		
10,000 Ordinary shares of £1 each	10,000	10,000
8 Ordinary B shares of £1 each	8	8
5 Ordinary C shares of £1 each	5	5
4 Ordinary D shares of £1 each	4	4
	<u>10,017</u>	<u>10,017</u>
 Equity Shares		
10,000 Ordinary shares of £1 each	10,000	10,000
8 Ordinary B shares of £1 each	8	8
5 Ordinary shares of £1 each	5	5
	<u>10,013</u>	<u>10,013</u>
 Non Equity Shares		
4 Ordinary D shares of £1 each	4	4
	<u>4</u>	<u>4</u>

Cema Limited

**Notes to the consolidated financial statements
for the year ended 31 December 2013**

..... continued

22. Equity Reserves - Group	Share premium account £	Profit and loss account £	Minority interest £	Total £
At 1 January 2013	2,968	4,346,690	(345,032)	4,004,626
Transfer relating to minority interest		98,547		98,547
Profit for the year		916,389		916,389
Other movements	-	-	(96,533)	(96,533)
Equity Dividends		(95,500)		(95,500)
At 31 December 2013	<u>2,968</u>	<u>5,266,126</u>	<u>(441,565)</u>	<u>4,827,529</u>

Equity Reserves - Company	Share premium account £	Profit and loss account £	Total £
At 1 January 2013	2,968	4,743,190	4,746,158
Profit for the year	-	757,877	757,877
Equity Dividends		(85,000)	(85,000)
At 31 December 2013	<u>2,968</u>	<u>5,416,067</u>	<u>5,419,035</u>

23. Reconciliation of movements in shareholders' funds	Group		Company	
	2013 £	2012 £	2013	2012
Profit for the year	916,389	167,154	757,877	23,307
Dividends	(95,500)	(8,000)	(85,000)	-
	<u>820,889</u>	<u>159,154</u>	<u>672,877</u>	<u>23,307</u>
Adjustment on minority interest	2,014	(63,421)		
Net addition to shareholders' funds	<u>822,903</u>	<u>95,733</u>	<u>672,877</u>	<u>23,307</u>
Opening shareholders' funds	4,014,643	3,918,910	4,756,175	4,732,868
Closing shareholders' funds	<u>4,837,546</u>	<u>4,014,643</u>	<u>5,429,052</u>	<u>4,756,175</u>

Cema Limited

Notes to the consolidated financial statements for the year ended 31 December 2013

..... continued

24. Financial commitments

At 31 December 2013 the group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2013	2012	2013	2012
	£	£	£	£
Expiry date:				
Within one year	25,975	25,975	7,160	7,160
Between one and five years	72,014	72,014	18,155	18,155
	<u>97,989</u>	<u>97,989</u>	<u>25,315</u>	<u>25,315</u>

25. Controlling interest

The ultimate controlling party of Cema Limited is Mr F G Ciaurro who owns 53% of the shares.

Cema Limited

**Notes to the consolidated financial statements
for the year ended 31 December 2013**

..... continued

26. Gross cash flows

	2013	2012
	£	£
Returns on investments and servicing of finance		
Interest received	320,334	319,724
Interest paid	(265,053)	(217,900)
	<u>55,281</u>	<u>101,824</u>
Taxation		
Corporation tax paid	<u>(7,331)</u>	<u>-</u>
Capital expenditure and financial investment		
Payments to acquire intangible assets	(48,608)	-
Payments to acquire tangible assets	(240,060)	(101,989)
Payments to acquire investments	(49,751)	-
Receipts from sales of intangible assets	-	7,957
Receipts from sales of tangible assets	725,579	34,832
Receipts from sales of investments	-	36,000
	<u>387,160</u>	<u>(23,200)</u>
Acquisitions and disposals		
Receipts on disposal of group interests	<u>-</u>	<u>(26,000)</u>
Financing		
Other new long term loans	(245,953)	245,953
Other new short term loans	-	215,545
Repayment of other short term loans	(580,078)	-
Capital element of finance leases and hire purchase contracts	(36,816)	-
	<u>(862,847)</u>	<u>461,498</u>

Cema Limited

**Notes to the consolidated financial statements
for the year ended 31 December 2013**

..... continued

27. Analysis of changes in net funds

	Opening balance	Cash flows	Other changes	Closing balance
	£	£	£	£
Cash at bank and in hand	-	398,713		398,713
Overdrafts	(798,967)	798,967		-
	<u>(798,967)</u>	<u>1,197,680</u>		<u>398,713</u>
Debt due within one year	(823,117)	580,078	-	(243,039)
Debt due after one year	(245,953)	245,953	-	-
Finance leases and hire purchase contracts	(153,923)	36,816	(80,666)	(197,773)
	<u>(1,222,993)</u>	<u>862,847</u>	<u>(80,666)</u>	<u>(440,812)</u>
Net funds	<u><u>(2,021,960)</u></u>	<u><u>2,060,527</u></u>	<u><u>(80,666)</u></u>	<u><u>(42,099)</u></u>