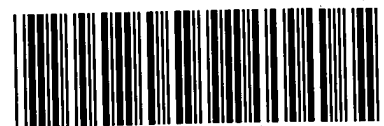


Registration number 2527559

Cema Limited

**Directors' report and consolidated financial statements
for the year ended 31 December 2014**

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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

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Cema Limited

**Strategic report
for the year ended 31 December 2014**

The directors present their Strategic report for the year ended 31 December 2014.

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.

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 28 September 2015 and signed on its behalf by



F G Ciaurro
Director

Cema Limited

Directors' report for the year ended 31 December 2014

The directors present their report and the financial statements of the company and the group for the year ended 31 December 2014.

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 6.

The results of the parent company Cema Limited are set out on page 7.

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 £4,289 to charities.

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, 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 2014**

..... 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 28 September 2015 and signed on its behalf by



F G Ciaurro
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 2014 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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 2014 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 Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

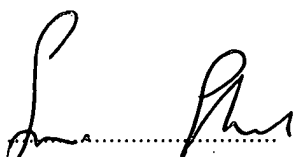
**Independent auditor's report to the shareholders of
Cema Limited**

.....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
28 September 2015

White House
Wollaton Street
Nottingham
NG1 5GF

Cema Limited

Consolidated Profit and loss account for the year ended 31 December 2014

		Continuing operations	
		2014	2013
	Notes	£	£
Turnover	2	42,413,942	36,862,155
Cost of sales		(36,424,556)	(31,890,855)
Gross profit		<u>5,989,386</u>	<u>4,971,300</u>
Administrative expenses		(5,805,323)	(4,089,460)
Other operating income		<u>34,846</u>	<u>22,889</u>
Operating profit	3	<u>218,909</u>	<u>904,729</u>
Other interest receivable and similar income	5	398,445	320,334
Interest payable and similar charges	6	<u>(280,619)</u>	<u>(265,053)</u>
Profit on ordinary activities before taxation		336,735	960,010
Tax on profit on ordinary activities	9	<u>5,871</u>	<u>(43,621)</u>
Profit for the year	21	<u>342,606</u>	<u>916,389</u>
Retained profit brought forward		5,266,126	4,346,690
Reserve Movements		<u>(261,560)</u>	<u>3,047</u>
Retained profit carried forward		<u><u>5,347,172</u></u>	<u><u>5,266,126</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 27 form an integral part of these financial statements.

Cema Limited

Company Profit and loss account for the year ended 31 December 2014

		Continuing operations	
		2014	2013
	Notes	£	£
Turnover	2	13,644,158	15,162,137
Cost of sales		(11,987,749)	(12,972,287)
Gross profit		<u>1,656,409</u>	<u>2,189,850</u>
Administrative expenses		(1,308,796)	(1,384,817)
Operating profit	3	<u>347,613</u>	<u>805,033</u>
Investment income		10,000	51,000
Interest payable and similar charges	6	(53,609)	(97,637)
Profit on ordinary activities before taxation		<u>304,004</u>	<u>758,396</u>
Tax on profit on ordinary activities	9	-	(519)
Profit for the year	21	<u>304,004</u>	<u>757,877</u>
Retained profit brought forward		5,416,067	4,743,190
Reserve Movements		(189,250)	(85,000)
Retained profit carried forward		<u><u>5,530,821</u></u>	<u><u>5,416,067</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 27 form an integral part of these financial statements.

Cema Limited

**Consolidated Balance sheet
as at 31 December 2014**

		2014		2013	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	11		55,989		76,781
Tangible assets	12		1,846,039		1,407,023
Investments	13		1,673,147		1,130,964
			<u>3,575,175</u>		<u>2,614,768</u>
Current assets					
Stocks	14	2,821,168		2,506,351	
Debtors	15	10,205,595		10,211,777	
Cash at bank and in hand		<u>603,227</u>		<u>398,713</u>	
		13,629,990		13,116,841	
Creditors: amounts falling due within one year	16	(11,320,760)		(10,829,350)	
Net current assets			<u>2,309,230</u>		<u>2,287,491</u>
Total assets less current liabilities			5,884,405		4,902,259
Creditors: amounts falling due after more than one year	17		(224,974)		(49,443)
Provisions for liabilities	18		<u>(9,364)</u>		<u>(15,270)</u>
Net assets			<u>5,650,067</u>		<u>4,837,546</u>
Capital and reserves					
Called up share capital	20		10,017		10,017
Share premium account	21		2,968		2,968
Minority interest	21		289,910		(441,565)
Profit and loss account	21		<u>5,347,172</u>		<u>5,266,126</u>
Shareholders' funds	22		<u>5,650,067</u>		<u>4,837,546</u>

The financial statements were approved by the Board on 28 September 2015 and signed on its behalf by



F G Ciaurro
Director

Registration number 2527559

The notes on pages 11 to 27 form an integral part of these financial statements.

Cema Limited

**Company balance sheet
as at 31 December 2014**

		2014		2013	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	13		185,948		208,358
Investments	14		3,164,715		3,164,615
			<u>3,350,663</u>		<u>3,372,973</u>
Current assets					
Stocks	14	110,337		137,785	
Debtors	15	6,109,247		6,233,999	
Cash at bank and in hand		<u>10,990</u>		<u>394,038</u>	
		6,230,574		6,765,822	
Creditors: amounts falling due within one year	16	<u>(3,990,264)</u>		<u>(4,624,019)</u>	
Net current assets			<u>2,240,310</u>		<u>2,141,803</u>
Total assets less current liabilities			5,590,973		5,514,776
Creditors: amounts falling due after more than one year	17		(47,167)		(85,724)
Net assets			<u>5,543,806</u>		<u>5,429,052</u>
Capital and reserves					
Called up share capital	20		10,017		10,017
Share premium account	21		2,968		2,968
Profit and loss account	21		<u>5,530,821</u>		<u>5,416,067</u>
Shareholders' funds	22		<u>5,543,806</u>		<u>5,429,052</u>

The financial statements were approved by the Board on 28 September 2015 and signed on its behalf by



F G Ciaurro
Director

Registration number 2527559

The notes on pages 11 to 27 form an integral part of these financial statements.

Cema Limited

**Consolidated Cash Flow Statement
for the year ended 31 December 2014**

	Notes	2014 £	2013 £
Reconciliation of operating profit to net cash inflow from operating activities			
Operating profit		218,909	904,729
Depreciation		356,252	87,465
(Increase) in stocks		(314,817)	(319,220)
Decrease in debtors		6,182	379,236
Increase in creditors		711,289	671,519
Minority interest adjustment		(5,729)	(2,812)
Net cash inflow from operating activities		<u>972,086</u>	<u>1,720,917</u>
Cash flow statement			
Net cash inflow from operating activities		972,086	1,720,917
Returns on investments and servicing of finance	25	117,826	55,281
Taxation	25	(10,022)	(7,331)
Capital expenditure and financial investment	25	(920,098)	387,160
		<u>159,792</u>	<u>2,156,027</u>
Equity dividends paid		(189,250)	(95,500)
		<u>(29,458)</u>	<u>2,060,527</u>
Financing	25	133,972	(862,847)
Decrease in cash in the year		<u>104,514</u>	<u>1,197,680</u>
Reconciliation of net cash flow to movement in net funds (Note 26)			
Decrease in cash in the year		104,514	1,197,680
Cash outflow from decrease in debts and lease financing		(133,972)	862,847
Change in net debt resulting from cash flows		(29,458)	2,060,527
New finance leases and hire purchase contracts		145,622	(80,666)
Movement in net funds in the year		116,164	1,979,861
Net debt at 1 January 2014		(42,099)	(2,021,960)
Net funds at 31 December 2014		<u>74,065</u>	<u>(42,099)</u>

Cema Limited

Notes to the consolidated financial statements for the year ended 31 December 2014

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
Leasehold properties	-	Straight line over the life of the lease
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 2014

..... 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

	2014 £	2013 £
Operating profit is stated after charging:		
Depreciation and other amounts written off intangible assets	20,792	20,920
Depreciation		
- written off owned tangible fixed assets	231,212	248,496
- written off tangible fixed assets on HP/Finance lease	122,572	113,455
Research and development		
- expenditure in current year	-	134,095
Operating lease rentals		
- Motor vehicles	160,829	110,865
Auditors' remuneration (Note 4)	80,990	72,475
and after crediting:		
Profit on disposal of tangible fixed assets	18,324	295,406

Cema Limited

**Notes to the consolidated financial statements
for the year ended 31 December 2014**

..... continued

4. Auditors' remuneration

	2014	2013
	£	£
Auditors' remuneration - audit of the financial statements	<u>62,990</u>	<u>54,675</u>
Auditors' remuneration - other fees:		
- taxation services	7,000	7,000
- Accountancy	<u>11,000</u>	<u>10,800</u>
	<u>18,000</u>	<u>17,800</u>

5. Interest receivable and similar income

	2014	2013
	£	£
Bank interest	174	126
Other interest	<u>398,271</u>	<u>320,208</u>
	<u>398,445</u>	<u>320,334</u>

6. Interest payable and similar charges

	2014	2013
	£	£
Interest payable on loans < 1 yr	88,500	103,216
Hire purchase interest	192,355	147,643
On overdue tax	<u>(236)</u>	<u>14,194</u>
	<u>280,619</u>	<u>265,053</u>

Cema Limited

**Notes to the consolidated financial statements
for the year ended 31 December 2014**

..... continued

7. Employees

Number of employees	2014	2013
The average monthly numbers of employees (including the directors) during the year were:		
Management and administration	85	73
Production and sales	391	329
	<u>476</u>	<u>402</u>

Employment costs	2014	2013
	£	£
Wages and salaries	14,855,410	12,438,772
Social security costs	1,108,852	1,119,563
Pension costs	211,762	111,645
	<u>16,176,024</u>	<u>13,669,980</u>

7.1. Directors' remuneration	2014	2013
Remuneration and other emoluments	824,984	568,390
Pension contributions	25,532	7,822
	<u>850,516</u>	<u>576,212</u>

	Number	Number
Number of directors to whom retirement benefits are accruing under a money purchase scheme	6	2

Highest paid director	£	£
Amounts included above:		
Emoluments and other benefits	82,057	43,138
Pension contributions	4,600	7,239
	<u>86,657</u>	<u>50,377</u>

Cema Limited

**Notes to the consolidated financial statements
for the year ended 31 December 2014**

..... continued

8. 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 £211,762 (2013 - £111,645).

9. Tax on profit on ordinary activities

Analysis of charge in period	2014 £	2013 £
Current tax		
UK corporation tax	35	43,621
Total current tax charge	<u>35</u>	<u>43,621</u>
Deferred tax		
Timing differences, origination and reversal	(5,906)	-
Total deferred tax	<u>(5,906)</u>	<u>-</u>
Tax on profit on ordinary activities	<u>(5,871)</u>	<u>43,621</u>

10. Dividends

Dividends paid and proposed on equity shares

	2014 £	2013 £
Paid during the year:		
Equity dividends on Ordinary shares	189,250	95,500
	<u>189,250</u>	<u>95,500</u>

In 2014 the directors who received dividends were F G Ciaurro £21,850, S Binns £21,850, M Jakubiak £21,850, Littlehales £21,850, R Sharpe £21,850, P Gregory £10,000, J Smith £10,000, R Eley £10,000 and I Spooner £10,000.

In 2014 B C Lewis who is a director of Lloyd Morris Electrical Limited received a dividend of £10,000.

Cema Limited

**Notes to the consolidated financial statements
for the year ended 31 December 2014**

..... continued

11. Intangible fixed assets - Group

	Goodwill	Total
	£	£
Cost		
At 1 January 2014	167,864	167,864
At 31 December 2014	<u>167,864</u>	<u>167,864</u>
Amortisation		
At 1 January 2014	91,083	91,083
Charge for year	20,792	20,792
At 31 December 2014	<u>111,875</u>	<u>111,875</u>
Net book values		
At 31 December 2014	<u>55,989</u>	<u>55,989</u>
At 31 December 2013	<u>76,781</u>	<u>76,781</u>

Cema Limited

**Notes to the consolidated financial statements
for the year ended 31 December 2014**

..... continued

12. Tangible fixed assets - Group	Land and buildings freehold £	Long leasehold property £	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
Cost						
At 1 January 2014	198,541	-	1,784,517	749,146	1,593,694	4,325,898
Additions	566,281	3,249	103,672	11,745	128,886	813,833
Disposals	-	-	(591)	-	(321,766)	(322,357)
At 31 December 2014	<u>764,822</u>	<u>3,249</u>	<u>1,887,598</u>	<u>760,891</u>	<u>1,400,814</u>	<u>4,817,374</u>
Depreciation						
At 1 January 2014	7,800	-	1,051,721	611,701	1,247,653	2,918,875
On disposals	-	-	(591)	-	(300,733)	(301,324)
Charge for the year	8,263	853	163,742	26,488	154,438	353,784
At 31 December 2014	<u>16,063</u>	<u>853</u>	<u>1,214,872</u>	<u>638,189</u>	<u>1,101,358</u>	<u>2,971,335</u>
Net book values						
At 31 December 2014	<u>748,759</u>	<u>2,396</u>	<u>672,726</u>	<u>122,702</u>	<u>299,456</u>	<u>1,846,039</u>
At 31 December 2013	<u>190,741</u>	<u>-</u>	<u>732,796</u>	<u>137,445</u>	<u>346,041</u>	<u>1,407,023</u>
Tangible fixed assets - Company						
	Land and buildings freehold £	Long leasehold property £	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
Cost						
At 1 January 2014	-	-	129,105	525,522	750,966	1,405,593
Additions	-	-	-	4,525	61,743	66,268
Disposals	-	-	-	-	(236,017)	(236,017)
At 31 December 2014	<u>-</u>	<u>-</u>	<u>129,105</u>	<u>530,047</u>	<u>576,692</u>	<u>1,235,844</u>
Depreciation						
At 1 January 2014	-	-	87,940	417,387	691,908	1,197,235
On disposals	-	-	-	-	(227,565)	227,565
Charge for the year	-	-	6,175	16,899	57,152	(80,226)
At 31 December 2014	<u>-</u>	<u>-</u>	<u>94,115</u>	<u>434,286</u>	<u>521,495</u>	<u>(1,049,896)</u>
Net book values						
At 31 December 2014	<u>-</u>	<u>-</u>	<u>34,990</u>	<u>95,761</u>	<u>55,197</u>	<u>185,948</u>
At 31 December 2013	<u>-</u>	<u>-</u>	<u>41,165</u>	<u>108,135</u>	<u>59,058</u>	<u>208,358</u>

Cema Limited

**Notes to the consolidated financial statements
for the year ended 31 December 2014**

..... continued

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

Group	2014		2013	
	Net	Depreciation	Net	Depreciation
Asset description	book value	charge	book value	charge
	£	£	£	£
Plant and machinery	100,409	18,370	89,085	19,038
Motor vehicles	145,963	104,202	191,100	94,417
	<u>246,372</u>	<u>122,572</u>	<u>280,185</u>	<u>113,455</u>
Company	2014		2013	
	Net	Depreciation	Net	Depreciation
Asset description	book value	charge	book value	charge
	£	£	£	£
Plant and machinery	6,755	1,192	11,682	2,062
Motor vehicles	54,465	47,243	56,917	48,759
	<u>61,220</u>	<u>48,435</u>	<u>68,599</u>	<u>50,821</u>

Cema Limited

**Notes to the consolidated financial statements
for the year ended 31 December 2014**

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13. Fixed asset investments - Group	Investment properties £	Goodwill on consolidation £	Total £
Cost			
At 1 January 2014	475,914	655,050	1,130,964
Additions	-	542,183	542,183
At 31 December 2014	<u>475,914</u>	<u>1,197,233</u>	<u>1,673,147</u>
Net book values			
At 31 December 2014	<u>475,914</u>	<u>1,197,233</u>	<u>1,673,147</u>
At 31 December 2013	<u>475,914</u>	<u>655,050</u>	<u>1,130,964</u>

Fixed asset investments - Company	Other unlisted investments £	Total £
Cost		
At 1 January 2014	3,164,615	3,164,615
Additions	100	100
At 31 December 2014	<u>3,164,715</u>	<u>3,164,715</u>
Net book values		
At 31 December 2014	<u>3,164,715</u>	<u>3,164,715</u>
At 31 December 2013	<u>3,164,615</u>	<u>3,164,615</u>

Cema Limited

Notes to the consolidated financial statements for the year ended 31 December 2014

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13.1. 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%
Cema Fuels Limited	England & Wales	Wood fuel supplies	Ordinary	100%
Lintott Control Systems Limited	England & Wales	Water pumping equipment	Ordinary	75%
Innovative Business Finance Limited	England & Wales	Provision of finance facilities	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	1,663,464	227,434
Nottingham Crane Hire Limited	(48,463)	47,813

Cema Limited

Notes to the consolidated financial statements for the year ended 31 December 2014

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Cema Commercial Limited	(678)	-
Viking Pumps Limited	1,254,115	9,952
Cema Business Solutions Limited	(904,241)	(115,951)
Labtec Services Limited	(650,243)	61,382
Warboys Services Limited	(422,900)	(21,220)
Cema Tracking Solutions Limited	(317,136)	10,081
Lloyd Morris Electrical Limited	1,139,284	220,083
Merlin Systems Limited	100,398	608
Cema Site Installations Limited	(416,483)	(473,047)
Cema Fuels Limited	(43,484)	(43,584)
Lintott Control Systems Limited	251,061	124,413
Innovative Business Finance Limited	972	638

14. Stocks	Group		Company	
	2014	2013	2014	2013
	£	£		
Raw materials and consumables	816,576	673,381	110,337	137,785
Work in progress	2,004,592	1,832,970	-	-
	<u>2,821,168</u>	<u>2,506,351</u>	<u>110,337</u>	<u>137,785</u>

15. Debtors	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Trade debtors	9,728,288	9,921,661	2,844,522	2,936,335
Amounts owed by group undertakings	-	-	2,962,048	3,179,076
Other debtors	345,391	100,353	272,336	87,799
Prepayments and accrued income	131,916	189,763	30,341	30,789
	<u>10,205,595</u>	<u>10,211,777</u>	<u>6,109,247</u>	<u>6,233,999</u>

Cema Limited

**Notes to the consolidated financial statements
for the year ended 31 December 2014**

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16. Creditors: amounts falling due within one year	Group		Company	
	2014 £	2013 £	2014 £	2013 £
Bank overdraft	-	-	261,653	-
Other loans	201,480	243,039	-	-
Net obligations under finance leases and hire purchase contracts	2,708	148,330	41,012	197,483
Trade creditors	5,218,617	4,576,384	1,393,848	2,254,079
Amounts owed to group undertaking	-	-	526,318	317,958
Corporation tax	32	32,730	-	519
Other taxes and social security costs	1,648,132	1,219,295	521,223	470,117
Directors' accounts	2,464,176	2,537,071	911,929	1,103,585
Other creditors	183,700	19,815	53,876	17,500
Accruals and deferred income	1,601,915	2,052,686	280,405	262,778
	<u>11,320,760</u>	<u>10,829,350</u>	<u>3,990,264</u>	<u>4,624,019</u>

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

17. Creditors: amounts falling due after more than one year	Group		Company	
	2014 £	2013 £	2014 £	2013 £
Other loans	224,974	-	-	-
Net obligations under finance leases and hire purchase contracts	-	49,443	47,167	85,724
	<u>224,974</u>	<u>49,443</u>	<u>47,167</u>	<u>85,724</u>

Cema Limited

**Notes to the consolidated financial statements
for the year ended 31 December 2014**

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18. Provisions for liabilities - Group

	Deferred taxation (Note 19) £	Total £
At 1 January 2014	15,270	15,270
Movements in the year	(5,906)	(5,906)
At 31 December 2014	<u>9,364</u>	<u>9,364</u>

19. Provision for deferred taxation - Group

	2014 £	2013 £
Accelerated capital allowances	9,364	15,270
Provision for deferred tax	<u>9,364</u>	<u>15,270</u>
Provision at 1 January 2014	15,270	
Deferred tax credit in profit and loss account	(5,906)	
Provision at 31 December 2014	<u>9,364</u>	

Cema Limited

Notes to the consolidated financial statements for the year ended 31 December 2014

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20. Share capital	2014	2013
	£	£
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 2014**

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21. Equity Reserves - Group	Share premium account £	Profit and loss account £	Minority interest £	Total £
At 1 January 2014	2,968	5,266,126	(441,565)	4,827,529
Transfer relating to minority interest		(72,310)		(72,310)
Profit for the year		342,606		342,606
Other movements	-	-	731,475	731,475
Equity Dividends		(189,250)		(189,250)
At 31 December 2014	<u>2,968</u>	<u>5,347,172</u>	<u>289,910</u>	<u>5,640,050</u>

Equity Reserves - Company	Share premium account £	Profit and loss account £	Total £
At 1 January 2014	2,968	5,416,067	5,419,035
Profit for the year	-	304,004	304,004
Equity Dividends		(189,250)	(189,250)
At 31 December 2014	<u>2,968</u>	<u>5,530,821</u>	<u>5,533,789</u>

22. Reconciliation of movements in shareholders' funds	Group		Company	
	2014 £	2013 £	2014	2013
Profit for the year	342,606	916,389	304,004	757,877
Dividends	(189,250)	(95,500)	(189,250)	(85,000)
	<u>153,356</u>	<u>820,889</u>	<u>114,754</u>	<u>672,877</u>
Adjustment on minority interest	659,165	2,014		
Net addition to shareholders' funds	812,521	822,903	114,754	672,877
Opening shareholders' funds	4,837,546	4,014,643	5,429,052	4,756,175
Closing shareholders' funds	<u>5,650,067</u>	<u>4,837,546</u>	<u>5,543,806</u>	<u>5,429,052</u>

Cema Limited

Notes to the consolidated financial statements for the year ended 31 December 2014

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23. Financial commitments - Group

At 31 December 2014 the group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2014	2013	2014	2013
	£	£	£	£
Expiry date:				
Within one year	20,600	25,975	11,040	7,160
Between one and five years	78,710	72,014	69,676	60,518
	<u>99,310</u>	<u>97,989</u>	<u>80,716</u>	<u>67,678</u>

24. 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 2014**

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25. Gross cash flows

	2014	2013
	£	£
Returns on investments and servicing of finance		
Interest received	398,445	320,334
Interest paid	(280,619)	(265,053)
	<u>117,826</u>	<u>55,281</u>
Taxation		
Corporation tax paid	<u>(10,022)</u>	<u>(7,331)</u>
Capital expenditure and financial investment		
Payments to acquire intangible assets	-	(48,608)
Payments to acquire tangible assets	(959,455)	(240,060)
Payments to acquire investments	-	(49,751)
Receipts from sales of tangible assets	39,357	725,579
	<u>(920,098)</u>	<u>387,160</u>
Financing		
Other new long term loans	224,974	(245,953)
Other new short term loans	(41,559)	-
Repayment of other short term loans	-	(580,078)
Capital element of finance leases and hire purchase contracts	(49,443)	(36,816)
	<u>133,972</u>	<u>(862,847)</u>

26. Analysis of changes in net funds

	Opening balance	Cash flows	Other changes	Closing balance
	£	£	£	£
Cash at bank and in hand	398,713	204,514	-	603,227
Debt due within one year	(243,039)	41,559	(100,000)	(301,480)
Debt due after one year	-	(224,974)	-	(224,974)
Finance leases and hire purchase contracts	(197,773)	49,443	145,622	(2,708)
	<u>(440,812)</u>	<u>(133,972)</u>	<u>45,622</u>	<u>(529,162)</u>
Net funds	<u>(42,099)</u>	<u>70,542</u>	<u>45,622</u>	<u>74,065</u>