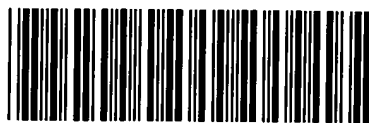


**Strategic Report,  
Report of the Directors and  
Financial Statements  
for the Year Ended 29th February 2016  
for  
GENERAL ENGINEERING  
(TREATMENTS) LIMITED**

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**GENERAL ENGINEERING  
(TREATMENTS) LIMITED (REGISTERED NUMBER: 03415558)**

**Contents of the Financial Statements  
for the year ended 29th February 2016**

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	<b>Page</b>
<b>Company Information</b>	<b>1</b>
<b>Strategic Report</b>	<b>2</b>
<b>Report of the Directors</b>	<b>3</b>
<b>Report of the Independent Auditors</b>	<b>5</b>
<b>Income Statement</b>	<b>7</b>
<b>Other Comprehensive Income</b>	<b>8</b>
<b>Balance Sheet</b>	<b>9</b>
<b>Statement of Changes in Equity</b>	<b>10</b>
<b>Cash Flow Statement</b>	<b>11</b>
<b>Notes to the Cash Flow Statement</b>	<b>12</b>
<b>Notes to the Financial Statements</b>	<b>13</b>
<b>Reconciliation of Equity</b>	<b>22</b>
<b>Reconciliation of Profit</b>	<b>24</b>
<b>Trading and Profit and Loss Account</b>	<b>25</b>

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# **GENERAL ENGINEERING (TREATMENTS) LIMITED**

## **Company Information for the year ended 29th February 2016**

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**DIRECTORS:**

Mr A P Boulton  
Mr A D Varley

**SECRETARY:**

Mr A P Boulton

**REGISTERED OFFICE:**

Monometer House  
Rectory Grove  
Leigh on Sea  
Essex  
SS9 2HN

**REGISTERED NUMBER:**

03415558 (England and Wales)

**AUDITORS:**

Barrons  
Chartered Accountants  
& Statutory Auditors  
Monometer House  
Rectory Grove  
Leigh on Sea  
Essex  
SS9 2HN

**GENERAL ENGINEERING  
(TREATMENTS) LIMITED (REGISTERED NUMBER: 03415558)**

**Strategic Report  
for the year ended 29th February 2016**

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The directors present their strategic report for the year ended 29th February 2016.

The principal activity of the Company continued to be that of the surface treatment of aerospace components during the year ended 28th February 2016.

During the year under review the Company's turnover has increased by 2% to £6,215,643 (2015: £6,103,967) and had a gross profit margin of 42.4% (2015: 44.5%). The growth in recent years has now levelled out and strong margins are expected to continue into 2017, this will be achieved by a tight control of cost of sales and maintaining turnover, enhanced by a number of high value premium rate projects.

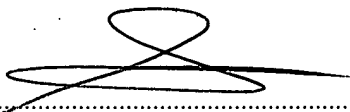
Overall pre-tax profit for the year was £1,457,048 (2015: £1,366,780).

Senior management continue to effectively monitor key performance indicators via the production of accurate and timely monthly management accounts.

The Company continues to monitor market trends and will continue to seek new customers and opportunities within its sector.

The Company's operations are subject to the laws governing business in general including health and safety, labour and employment practices and other matters.

**ON BEHALF OF THE BOARD:**



.....  
Mr A P Boulton - Director

Date: 28-11-16.....

# **GENERAL ENGINEERING (TREATMENTS) LIMITED (REGISTERED NUMBER: 03415558)**

## **Report of the Directors for the year ended 29th February 2016**

---

The directors present their report with the financial statements of the company for the year ended 29th February 2016.

### **DIVIDENDS**

The total distribution of dividends for the year ended 29th February 2016 will be £446,525.

### **DIRECTORS**

The directors shown below have held office during the whole of the period from 1st March 2015 to the date of this report.

Mr A P Boulton

Mr A D Varley

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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 period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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.

### **STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**GENERAL ENGINEERING  
(TREATMENTS) LIMITED (REGISTERED NUMBER: 03415558)**


**Report of the Directors  
for the year ended 29th February 2016**

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**AUDITORS**

The auditors, Barrons, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**



.....  
Mr A P Boulton - Director

Date: 28-11-16 .....

# **Report of the Independent Auditors to the Members of General Engineering (Treatments) Limited**

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We have audited the financial statements of General Engineering (Treatments) Limited for the year ended 29th February 2016 on pages seven to twenty four. 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 a Report of the Auditors 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 Statement of Directors' Responsibilities set out on page three, 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 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 Strategic Report and the Report of the Directors 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 for our report.

## **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 29th February 2016 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

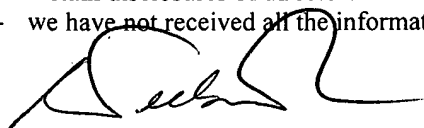
# **Report of the Independent Auditors to the Members of General Engineering (Treatments) Limited**

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## **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.



Russell Tillbrook FCCA (Senior Statutory Auditor)

for and on behalf of Barrons

Chartered Accountants

& Statutory Auditors

Monometer House

Rectory Grove

Leigh on Sea

Essex

SS9 2HN

Date: 28/11/16.....



**GENERAL ENGINEERING  
(TREATMENTS) LIMITED (REGISTERED NUMBER: 03415558)**

**Income Statement  
for the year ended 29th February 2016**

		2016	2015
	Notes	£	£
<b>TURNOVER</b>	2	<b>6,215,643</b>	<b>6,103,967</b>
Cost of sales		<u>3,580,498</u>	<u>3,386,145</u>
<b>GROSS PROFIT</b>		<b>2,635,145</b>	<b>2,717,822</b>
Administrative expenses		<u>1,422,833</u>	<u>1,350,264</u>
		<b>1,212,312</b>	<b>1,367,558</b>
Other operating income		<u>10,396</u>	<u>20,481</u>
<b>OPERATING PROFIT</b>	4	<b>1,222,708</b>	<b>1,388,039</b>
Income from shares in group undertakings		<b>250,000</b>	-
Interest receivable and similar income		<u>614</u>	<u>423</u>
		<b>250,614</b>	<b>423</b>
		<b>1,473,322</b>	<b>1,388,462</b>
Interest payable and similar charges	5	<u>16,274</u>	<u>21,682</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>1,457,048</b>	<b>1,366,780</b>
Tax on profit on ordinary activities	6	<u>249,865</u>	<u>295,657</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<b><u>1,207,183</u></b>	<b><u>1,071,123</u></b>

The notes form part of these financial statements

**GENERAL ENGINEERING  
(TREATMENTS) LIMITED (REGISTERED NUMBER: 03415558)**

**Other Comprehensive Income  
for the year ended 29th February 2016**

---

	Notes	2016 £	2015 £
PROFIT FOR THE YEAR		1,207,183	1,071,123
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>1,207,183</u>	<u>1,071,123</u>

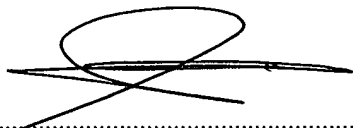
The notes form part of these financial statements

**GENERAL ENGINEERING  
(TREATMENTS) LIMITED (REGISTERED NUMBER: 03415558)**

**Balance Sheet  
29th February 2016**

	Notes	2016 £	2015 £
<b>FIXED ASSETS</b>			
Tangible assets	8	962,949	932,244
Investments	9	<u>1,000</u>	<u>1,000</u>
		963,949	933,244
<b>CURRENT ASSETS</b>			
Stocks	10	19,960	18,304
Debtors	11	1,988,085	2,073,136
Cash at bank and in hand		<u>2,075,152</u>	<u>1,503,967</u>
		4,083,197	3,595,407
<b>CREDITORS</b>			
Amounts falling due within one year	12	<u>1,002,523</u>	<u>1,148,588</u>
<b>NET CURRENT ASSETS</b>		<u>3,080,674</u>	<u>2,446,819</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		4,044,623	3,380,063
<b>CREDITORS</b>			
Amounts falling due after more than one year	13	(125,582)	(224,784)
<b>PROVISIONS FOR LIABILITIES</b>	16	<u>(84,333)</u>	<u>(81,229)</u>
<b>NET ASSETS</b>		<u>3,834,708</u>	<u>3,074,050</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	17	99	99
Retained earnings	18	<u>3,834,609</u>	<u>3,073,951</u>
<b>SHAREHOLDERS' FUNDS</b>		<u>3,834,708</u>	<u>3,074,050</u>

The financial statements were approved by the Board of Directors on 28-11-16 and were signed on its behalf by:



Mr A P Boulton - Director

The notes form part of these financial statements

**GENERAL ENGINEERING  
(TREATMENTS) LIMITED (REGISTERED NUMBER: 03415558)**

**Statement of Changes in Equity  
for the year ended 29th February 2016**

	<b>Called up share capital £</b>	<b>Retained earnings £</b>	<b>Total equity £</b>
<b>Balance at 1st March 2014</b>	99	2,400,083	2,400,182
<b>Changes in equity</b>			
Dividends	-	(397,255)	(397,255)
Total comprehensive income	-	<u>1,071,123</u>	<u>1,071,123</u>
<b>Balance at 28th February 2015</b>	<u>99</u>	<u>3,073,951</u>	<u>3,074,050</u>
<b>Changes in equity</b>			
Dividends	-	(446,525)	(446,525)
Total comprehensive income	-	<u>1,207,183</u>	<u>1,207,183</u>
<b>Balance at 29th February 2016</b>	<u>99</u>	<u>3,834,609</u>	<u>3,834,708</u>

The notes form part of these financial statements

**GENERAL ENGINEERING  
(TREATMENTS) LIMITED (REGISTERED NUMBER: 03415558)**

**Cash Flow Statement  
for the year ended 29th February 2016**

	Notes	2016 £	2015 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	1,393,728	1,537,174
Interest element of hire purchase payments paid		(16,274)	(21,682)
Tax paid		<u>(307,558)</u>	<u>(142,390)</u>
Net cash from operating activities		<u>1,069,896</u>	<u>1,373,102</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(213,067)	(242,184)
Sale of tangible fixed assets		21,200	-
Interest received		614	423
Dividends received		<u>250,000</u>	<u>-</u>
Net cash from investing activities		<u>58,747</u>	<u>(241,761)</u>
<b>Cash flows from financing activities</b>			
Capital repayments in year		(110,933)	(98,837)
Equity dividends paid		<u>(446,525)</u>	<u>(397,255)</u>
Net cash from financing activities		<u>(557,458)</u>	<u>(496,092)</u>
<b>Increase in cash and cash equivalents</b>		<u>571,185</u>	<u>635,249</u>
<b>Cash and cash equivalents at beginning of year</b>	2	<u>1,503,967</u>	<u>868,718</u>
<b>Cash and cash equivalents at end of year</b>	2	<u><u>2,075,152</u></u>	<u><u>1,503,967</u></u>

The notes form part of these financial statements

**GENERAL ENGINEERING  
(TREATMENTS) LIMITED (REGISTERED NUMBER: 03415558)**

**Notes to the Cash Flow Statement  
for the year ended 29th February 2016**

**1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	2016 £	2015 £
Profit before taxation	1,457,048	1,366,780
Depreciation charges	171,862	180,135
(Profit)/loss on disposal of fixed assets	(10,700)	52,459
Finance costs	16,274	21,682
Finance income	(250,614)	(423)
	<u>1,383,870</u>	<u>1,620,633</u>
Increase in stocks	(1,656)	(3,456)
Decrease/(increase) in trade and other debtors	85,051	(289,505)
(Decrease)/increase in trade and other creditors	<u>(73,537)</u>	<u>209,502</u>
<b>Cash generated from operations</b>	<u><b>1,393,728</b></u>	<u><b>1,537,174</b></u>

**2. CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

**Year ended 29th February 2016**

	29.2.16 £	1.3.15 £
Cash and cash equivalents	<u><b>2,075,152</b></u>	<u><b>1,503,967</b></u>

**Year ended 28th February 2015**

	28.2.15 £	1.3.14 £
Cash and cash equivalents	<u><b>1,503,967</b></u>	<u><b>868,718</b></u>

The notes form part of these financial statements

# **GENERAL ENGINEERING (TREATMENTS) LIMITED (REGISTERED NUMBER: 03415558)**

## **Notes to the Financial Statements for the year ended 29th February 2016**

---

### **1. ACCOUNTING POLICIES**

#### **Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

This is the first year in which the financial statements have been prepared under FRS 102. Refer to the transition information for an explanation of adjustments resultant from the adoption of this standard.

#### **Significant judgements and estimates**

In the application of the company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

#### **Turnover**

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts. Revenue is recognised on the provision of service.

#### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Improvements to property	- 10% on cost
Plant and machinery	- 20% on cost and 10% on cost
Fixtures and fittings	- 33% on cost, 25% on cost and 5% on cost
Motor vehicles	- 25% on cost

#### **Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

#### **Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

#### **Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**GENERAL ENGINEERING  
(TREATMENTS) LIMITED (REGISTERED NUMBER: 03415558)**

**Notes to the Financial Statements - continued  
for the year ended 29th February 2016**

**1. ACCOUNTING POLICIES - continued**

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

The company operates a money purchase pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate to.

**2. TURNOVER**

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

	2016 £	2015 £
United Kingdom	5,368,820	5,237,552
Rest of the World	846,823	866,415
	<u>6,215,643</u>	<u>6,103,967</u>

**3. STAFF COSTS**

	2016 £	2015 £
Wages and salaries	1,909,259	1,885,794
Social security costs	185,460	179,113
Other pension costs	4,800	4,900
	<u>2,099,519</u>	<u>2,069,807</u>

The average monthly number of employees during the year was as follows:

	2016	2015
Production	67	65
Administration	<u>11</u>	<u>8</u>
	<u>78</u>	<u>73</u>



**GENERAL ENGINEERING  
(TREATMENTS) LIMITED (REGISTERED NUMBER: 03415558)**

**Notes to the Financial Statements - continued  
for the year ended 29th February 2016**

**4. OPERATING PROFIT**

The operating profit is stated after charging/(crediting):

	2016	2015
	£	£
Hire of plant and machinery	13,138	16,234
Depreciation - owned assets	114,410	112,182
Depreciation - assets on hire purchase contracts	57,452	67,952
(Profit)/loss on disposal of fixed assets	(10,700)	52,459
Auditors' remuneration	8,350	8,250
Foreign exchange differences	<u>17,305</u>	<u>29,314</u>

Directors' remuneration	90,136	89,994
Directors' pension contributions to money purchase schemes	<u>4,800</u>	<u>4,900</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>1</u>	<u>1</u>
------------------------	----------	----------

**5. INTEREST PAYABLE AND SIMILAR CHARGES**

	2016	2015
	£	£
Hire purchase interest	<u>16,274</u>	<u>21,682</u>

**6. TAXATION**

**Analysis of the tax charge**

The tax charge on the profit on ordinary activities for the year was as follows:

	2016	2015
	£	£
Current tax:		
UK corporation tax	246,761	307,558
Deferred tax	<u>3,104</u>	<u>(11,901)</u>
Tax on profit on ordinary activities	<u>249,865</u>	<u>295,657</u>

**GENERAL ENGINEERING  
(TREATMENTS) LIMITED (REGISTERED NUMBER: 03415558)**

**Notes to the Financial Statements - continued  
for the year ended 29th February 2016**

**6. TAXATION - continued**

**Reconciliation of total tax charge included in profit and loss**

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2016 £	2015 £
Profit on ordinary activities before tax	<u>1,457,048</u>	<u>1,366,780</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2015 - 21%)	291,410	287,024
Effects of:		
Expenses not deductible for tax purposes	4,549	16,145
Income not taxable for tax purposes	(50,000)	-
Capital allowances in excess of depreciation	(182)	-
Depreciation in excess of capital allowances	-	2,056
Difference due to rate change during year	984	2,333
Deferred tax	3,104	(11,901)
Total tax charge	<u>249,865</u>	<u>295,657</u>

**7. DIVIDENDS**

	2016 £	2015 £
Ordinary shares of £1 each		
Interim	186,525	137,255
Redeemable preference shares of £1 each		
Preference dividend	<u>260,000</u>	<u>260,000</u>
	<u>446,525</u>	<u>397,255</u>

**GENERAL ENGINEERING  
(TREATMENTS) LIMITED (REGISTERED NUMBER: 03415558)**

**Notes to the Financial Statements - continued  
for the year ended 29th February 2016**

**8. TANGIBLE FIXED ASSETS**

	Improvements to property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
<b>COST</b>					
At 1st March 2015	356,780	891,644	62,998	138,299	1,449,721
Additions	67,379	41,459	21,534	82,695	213,067
Disposals	-	-	-	(42,000)	(42,000)
At 29th February 2016	<u>424,159</u>	<u>933,103</u>	<u>84,532</u>	<u>178,994</u>	<u>1,620,788</u>
<b>DEPRECIATION</b>					
At 1st March 2015	90,164	283,370	53,814	90,129	517,477
Charge for year	38,642	97,038	4,580	31,602	171,862
Eliminated on disposal	-	-	-	(31,500)	(31,500)
At 29th February 2016	<u>128,806</u>	<u>380,408</u>	<u>58,394</u>	<u>90,231</u>	<u>657,839</u>
<b>NET BOOK VALUE</b>					
At 29th February 2016	<u>295,353</u>	<u>552,695</u>	<u>26,138</u>	<u>88,763</u>	<u>962,949</u>
At 28th February 2015	<u>266,616</u>	<u>608,274</u>	<u>9,184</u>	<u>48,170</u>	<u>932,244</u>

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £	Motor vehicles £	Totals £
<b>COST</b>			
At 1st March 2015	420,269	103,700	523,969
Disposals	-	(42,000)	(42,000)
At 29th February 2016	<u>420,269</u>	<u>61,700</u>	<u>481,969</u>
<b>DEPRECIATION</b>			
At 1st March 2015	83,914	65,767	149,681
Charge for year	42,027	15,425	57,452
Eliminated on disposal	-	(31,500)	(31,500)
At 29th February 2016	<u>125,941</u>	<u>49,692</u>	<u>175,633</u>
<b>NET BOOK VALUE</b>			
At 29th February 2016	<u>294,328</u>	<u>12,008</u>	<u>306,336</u>
At 28th February 2015	<u>336,355</u>	<u>37,933</u>	<u>374,288</u>

**GENERAL ENGINEERING  
(TREATMENTS) LIMITED (REGISTERED NUMBER: 03415558)**

**Notes to the Financial Statements - continued  
for the year ended 29th February 2016**

**9. FIXED ASSET INVESTMENTS**

	Interest in associate £
<b>COST</b>	
At 1st March 2015	
and 29th February 2016	<u>1,000</u>
<b>NET BOOK VALUE</b>	
At 29th February 2016	<u>1,000</u>
At 28th February 2015	<u>1,000</u>

The company's investments at the Balance Sheet date in the share capital of companies include the following:

**Associated company**

**GEB Surface Treatments Limited**

Nature of business: Treatment of metals

	%
Class of shares:	holding
Ordinary	50.00

	2016 £	2015 £
Aggregate capital and reserves	675,993	993,550
Profit for the year	<u>182,443</u>	<u>488,612</u>

**10. STOCKS**

	2016 £	2015 £
Raw materials	<u>19,960</u>	<u>18,304</u>

**11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2016 £	2015 £
Trade debtors	1,917,613	2,039,033
Other debtors	32,208	9,000
Prepayments and accrued income	<u>38,264</u>	<u>25,103</u>
	<u>1,988,085</u>	<u>2,073,136</u>

**GENERAL ENGINEERING  
(TREATMENTS) LIMITED (REGISTERED NUMBER: 03415558)**

**Notes to the Financial Statements - continued  
for the year ended 29th February 2016**

**12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2016	2015
	£	£
Hire purchase contracts (see note 14)	93,706	105,437
Trade creditors	452,030	522,551
Corporation tax	246,761	307,558
Social security and other taxes	43,068	46,898
VAT	114,152	128,072
Other creditors	45,696	32,037
Accruals and deferred income	7,110	6,035
	<u>1,002,523</u>	<u>1,148,588</u>

**13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2016	2015
	£	£
Hire purchase contracts (see note 14)	<u>125,582</u>	<u>224,784</u>

**14. LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2016	2015
	£	£
Net obligations repayable:		
Within one year	93,706	105,437
Between one and five years	<u>125,582</u>	<u>224,784</u>
	<u>219,288</u>	<u>330,221</u>

	Non-cancellable operating leases	
	2016	2015
	£	£
Within one year	114,850	114,850
Between one and five years	459,399	459,399
In more than five years	<u>699,873</u>	<u>814,723</u>
	<u>1,274,122</u>	<u>1,388,972</u>

**GENERAL ENGINEERING  
(TREATMENTS) LIMITED (REGISTERED NUMBER: 03415558)**

**Notes to the Financial Statements - continued  
for the year ended 29th February 2016**

**15. SECURED DEBTS**

The following secured debts are included within creditors:

	2016 £	2015 £
Hire purchase contracts	<u>219,288</u>	<u>330,221</u>

Hire purchase debts are secured against the assets to which the debts relate.

**16. PROVISIONS FOR LIABILITIES**

	2016 £	2015 £
Deferred tax	<u>84,333</u>	<u>81,229</u>

	<b>Deferred tax £</b>
Balance at 1st March 2015	<b>81,229</b>
Deferred tax	<u><b>3,104</b></u>
Balance at 29th February 2016	<u><b>84,333</b></u>

**17. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2016 £	2015 £
97	Ordinary	£1	97	97
2	Redeemable preference	£1	<u>2</u>	<u>2</u>
			<u><b>99</b></u>	<u><b>99</b></u>

Both the Ordinary and Redeemable Preference shares have their voting rights and obligations set out in the Articles of Association.

**18. RESERVES**

	<b>Retained earnings £</b>
At 1st March 2015	<b>3,073,951</b>
Profit for the year	<b>1,207,183</b>
Dividends	<u><b>(446,525)</b></u>
At 29th February 2016	<u><b>3,834,609</b></u>

**GENERAL ENGINEERING  
(TREATMENTS) LIMITED (REGISTERED NUMBER: 03415558)**

**Notes to the Financial Statements - continued  
for the year ended 29th February 2016**

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**19. CAPITAL COMMITMENTS**

As at the balance sheet date the company had capital commitments of £54,152 (2015: £Nil) regarding plant and machinery.

**20. RELATED PARTY DISCLOSURES**

During the year the company paid dividends to Mr A P Boulton, a director of the company, in the sum of £154,998 (2015: £148,395). The company also made rental payments to Mr A P Boulton of £33,125 (2015: £33,125).

During the year the company paid dividends to Mr A D Varley, a director of the company, in the sum of £145,384 (2015: £141,320). The company also made rental payments to Mr A D Varley of £33,125 (2015: £33,125).

**GEB Surface Treatments Limited:**

**Relationship:**

The company has a 50% share of GEB Surface Treatments Limited and has directors in common.

**Transactions and balances:**

During the year the company sold goods to GEB Surface Treatments Limited, under normal trading terms, totalling £Nil (2015: £10,350).

During the year the company recharged expenses to GEB Surface Treatments Limited, under normal trading terms, totalling £6,007 (2015: £21,101).

During the year the company charged GEB Surface Treatments Limited for bookkeeping services, under normal trading terms, totalling £8,400 (2015: £8,400).

During the year GEB Surface Treatments Limited declared dividends payable to the company totalling £250,000 (2015: £Nil).

As at the balance sheet date the company was owed by GEB Surface Treatments Limited £3,656 (2015: £8,560) as disclosed within trade debtors.

**GENERAL ENGINEERING  
(TREATMENTS) LIMITED (REGISTERED NUMBER: 03415558)**

**Reconciliation of Equity  
1st March 2014  
(Date of Transition to FRS 102)**

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
<b>FIXED ASSETS</b>				
Intangible assets		922,654	-	922,654
Investments		<u>1,000</u>	<u>-</u>	<u>1,000</u>
		<u>923,654</u>	<u>-</u>	<u>923,654</u>
<b>CURRENT ASSETS</b>				
Stocks		14,848	-	14,848
Debtors		1,783,631	-	1,783,631
Cash at bank and in hand		<u>868,718</u>	<u>-</u>	<u>868,718</u>
		<u>2,667,197</u>	<u>-</u>	<u>2,667,197</u>
<b>CREDITORS</b>				
Amounts falling due within one year		<u>(767,317)</u>	<u>-</u>	<u>(767,317)</u>
<b>NET CURRENT ASSETS</b>		<u>1,899,880</u>	<u>-</u>	<u>1,899,880</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		2,823,534	-	2,823,534
<b>CREDITORS</b>				
Amounts falling due after more than one year		(330,222)	-	(330,222)
<b>PROVISIONS FOR LIABILITIES</b>		<u>(93,130)</u>	<u>-</u>	<u>(93,130)</u>
<b>NET ASSETS</b>		<u>2,400,182</u>	<u>-</u>	<u>2,400,182</u>
<b>CAPITAL AND RESERVES</b>				
Called up share capital		99	-	99
Retained earnings		<u>2,400,083</u>	<u>-</u>	<u>2,400,083</u>
<b>SHAREHOLDERS' FUNDS</b>		<u>2,400,182</u>	<u>-</u>	<u>2,400,182</u>

The notes form part of these financial statements



**GENERAL ENGINEERING  
(TREATMENTS) LIMITED (REGISTERED NUMBER: 03415558)**

**Reconciliation of Equity - continued  
28th February 2015**

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
<b>FIXED ASSETS</b>				
Tangible assets		932,244	-	932,244
Investments		<u>1,000</u>	<u>-</u>	<u>1,000</u>
		<u>933,244</u>	<u>-</u>	<u>933,244</u>
<b>CURRENT ASSETS</b>				
Stocks		18,304	-	18,304
Debtors		2,073,136	-	2,073,136
Cash at bank and in hand		<u>1,503,967</u>	<u>-</u>	<u>1,503,967</u>
		<u>3,595,407</u>	<u>-</u>	<u>3,595,407</u>
<b>CREDITORS</b>				
Amounts falling due within one year		<u>(1,148,588)</u>	<u>-</u>	<u>(1,148,588)</u>
<b>NET CURRENT ASSETS</b>		<u>2,446,819</u>	<u>-</u>	<u>2,446,819</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		3,380,063	-	3,380,063
<b>CREDITORS</b>				
Amounts falling due after more than one year		(224,784)	-	(224,784)
<b>PROVISIONS FOR LIABILITIES</b>		<u>(81,229)</u>	<u>-</u>	<u>(81,229)</u>
<b>NET ASSETS</b>		<u>3,074,050</u>	<u>-</u>	<u>3,074,050</u>
<b>CAPITAL AND RESERVES</b>				
Called up share capital		99	-	99
Retained earnings		<u>3,073,951</u>	<u>-</u>	<u>3,073,951</u>
<b>SHAREHOLDERS' FUNDS</b>		<u>3,074,050</u>	<u>-</u>	<u>3,074,050</u>

The notes form part of these financial statements

**GENERAL ENGINEERING  
(TREATMENTS) LIMITED (REGISTERED NUMBER: 03415558)**

**Reconciliation of Profit  
for the year ended 28th February 2015**

	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
<b>TURNOVER</b>	6,103,967	-	6,103,967
Cost of sales	<u>(3,386,145)</u>	<u>-</u>	<u>(3,386,145)</u>
<b>GROSS PROFIT</b>	2,717,822	-	2,717,822
Administrative expenses	(1,350,264)	-	(1,350,264)
Other operating income	<u>20,481</u>	<u>-</u>	<u>20,481</u>
<b>OPERATING PROFIT</b>	1,388,039	-	1,388,039
Income from shares in group undertakings	-	-	-
Interest receivable and similar income	423	-	423
Interest payable and similar charges	<u>(21,682)</u>	<u>-</u>	<u>(21,682)</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	1,366,780	-	1,366,780
Tax on profit on ordinary activities	<u>(295,657)</u>	<u>-</u>	<u>(295,657)</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>	<u><u>1,071,123</u></u>	<u><u>-</u></u>	<u><u>1,071,123</u></u>

The notes form part of these financial statements