

Amended

Monsal Holdings Limited

Director's report and financial statements

For the year ended 31 March 2014

Registered number 06339215

These revised accounts have been amended to correct the following defects in the original accounts filed at Companies House on 24/12/2014:

- Company name changed from Monsal Holdings to Monsal Holdings Limited;
- Balance sheet page signed by the director

There are no other amendments made consequently after correcting the above defects.

The directors confirm that:

- These revised accounts replace the original filed accounts;
- They are now the statutory accounts;
- They have been prepared as at the date of the original accounts and not as at the date of the revision and accordingly do not deal with events between those dates

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COMPANIES HOUSE

Monsal Holdings Limited -

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Monsal Holdings Limited

Directors' report

The directors present their report and the financial statements for the year ended 31 March 2014.

Results and dividends

The loss for the year, after taxation, amounted to £161,424 (2013: loss £731,070).

The directors do not recommend the payment of a dividend (2013: £nil)

Directors

The directors who served during the year and up to the date of the directors' report were:

T S Ross (resigned 30 June 2014)
A J Styan (resigned 30 June 2014)
A Cumiskey (resigned 30 June 2014)
L Whyatt (resigned 3 February 2014)
M E Tung (resigned 30 June 2014)
C Hobkirk (appointed 30 June 2014)
C Jeffery (appointed 30 June 2014)
R Brook (appointed 30 June 2014 & resigned 28 July 2014)
R Gray (appointed 28 July 2014)
J K Lim (appointed 3 February 2014 & resigned 30 June 2014)

Post balance sheet events

On 30 June 2014, 100% of the issued share capital of the company was acquired by GE Betz Limited, a company registered in England and Wales. GE Betz Limited is itself a wholly owned subsidiary of General Electric Company (GE), a company incorporated in the United States of America. As a result Monsal Holdings Limited became a fully owned subsidiary of GE.

Disclosure of information to auditors

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company and the group's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company and the group's auditors are aware of that information.

Auditors

Cooper Parry Group Limited resigned as auditors during the year and KPMG LLP were appointed to fill the vacancy arising.

Under section 487(2) of the Companies Act 2006, KPMG LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

Monsal Holdings Limited

Directors' report

This report was approved by the board on *16th January 2015* and signed on its behalf.



R Gray
Director

Monsal Holdings Limited

Group strategic report for the year ended 31 March 2014

Business review

We aim to present a balanced and comprehensive review of the development and performance of our business during the year and its position at the year end. Our review is consistent with the size and non-complex nature of our business and is written in the context of the risks and uncertainties we face.

Overall turnover has increased by 26% from £10.3m in 2013 to £13.0m in 2014 which was strong performance in light of what remain challenging economic conditions. This has led to an operating profit of £0.8m compared to an operating profit of £0.2m in 2013.

During the financial year we continued delivery of our fifth and sixth Anaerobic Digestion plants for treating food waste building on the significant investment the company has made in its people and technology over the past few years. We also completed one major advanced digestion project in the water sector and supplied a large number of sludge/anaerobic digester equipment and products to water utilities.

Principal risks and uncertainties

The company provides high value technology packages which bears a demand and timing risk in a recessionary economy. This is mitigated through diversification across the water, waste and renewable energy sectors, tight control over costs and strong partnership arrangements with suppliers and sub-contractors.

The company has a cash-flow risk which is mitigated by a strong relationship with their stakeholders who have provided access to a working capital facility should the company need to finance working capital requirements. The company also has strong relationships with key suppliers and manages cash-flows closely.

This report was approved by the board on *16th January 2015* and signed on its behalf.

R Gray
Director



Monsal Holdings Limited

Directors' responsibilities statement for the year ended 31 March 2014

The directors are responsible for preparing the group strategic report, 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 have done so. Under that law the directors have elected to prepare the financial statements in accordance with Generally Accepted Accounting Practice in Ireland, comprising applicable company law and the accounting standards issued by the Accounting Standards Board and promulgated by the Institute of Chartered Accountants in Ireland.

The company's financial statements are required by law to give a true and fair view of the state of affairs of the company and the profit or loss of the company for that period.

In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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 the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for taking such steps as are reasonably open to them to safeguard the assets of the company and the group and prevent and detect fraud and other irregularities.

Monsal Holdings Limited

Independent auditors' report to the shareholders of Monsal Holdings Limited

We have audited the financial statements of Monsal Holdings Limited for the year ended 31 March 2014, which comprise the group profit and loss account, the group and company balance sheets, the group cash flow statement 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, 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 group's and the parent 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 group strategic report and the directors' report 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 group's and the parent company's affairs as at 31 March 2014 and of the group's loss 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 group strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

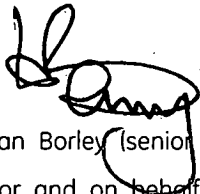
Monsal Holdings Limited

Independent auditors' report to the shareholders of Monsal Holdings Limited

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.



Ian Borley (senior statutory auditor)

for and on behalf of
KPMG LLP

Chartered Accountants

1 Waterloo Way
Leicester
LE1 6LP

Date: 16 January 2015

Monsal Holdings Limited

Consolidated profit and loss account for the year ended 31 March 2014

	Note	2014 £	2013 £
Turnover	1,2	12,967,947	10,262,667
Cost of sales		<u>(9,427,359)</u>	<u>(7,791,908)</u>
Gross profit		3,540,588	2,470,759
Administrative expenses		<u>(2,784,450)</u>	<u>(2,292,549)</u>
Operating profit	3	756,138	178,210
Interest receivable and similar income		2,117	1,814
Interest payable and similar charges	7	<u>(935,987)</u>	<u>(959,627)</u>
Loss on ordinary activities before taxation		(177,732)	(779,603)
Tax on loss on ordinary activities	8	<u>16,308</u>	<u>48,533</u>
Loss for the financial year	17	<u>(161,424)</u>	<u>(731,070)</u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2014 or 2013 other than those included in the profit and loss account.

The notes on pages 11 to 24 form part of these financial statements.

Monsal Holdings Limited

Registered number: 06339215

Consolidated balance sheet as at 31 March 2014

	Note	£	2014 £	£	2013 £
Fixed assets					
Intangible assets	9		1,947,934		2,100,713
Tangible assets	10		37,626		42,769
			<u>1,985,560</u>		<u>2,143,482</u>
Current assets					
Stocks	12	2,498		2,752	
Debtors: amounts falling due after more than one year	13	352,119		199,354	
Debtors: amounts falling due within one year	13	1,938,636		1,744,887	
Cash at bank and in hand		3,185,343		2,266,210	
			<u>5,478,596</u>	<u>4,213,203</u>	
Creditors: amounts falling due within one year	14	(5,045,775)		(4,110,310)	
Net current assets			<u>432,821</u>		<u>102,893</u>
Total assets less current liabilities			<u>2,418,381</u>		<u>2,246,375</u>
Creditors: amounts falling due after more than one year	15		<u>(7,379,883)</u>		<u>(7,046,453)</u>
Net liabilities			<u>(4,961,502)</u>		<u>(4,800,078)</u>
Capital and reserves					
Called up share capital	16		100,078		100,078
Share premium account	17		2,765,316		2,765,316
Profit and loss account	17		(7,826,896)		(7,665,472)
Shareholders' deficit	18		<u>(4,961,502)</u>		<u>(4,800,078)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on *16th January 2015*



R Gray
Director

The notes on pages 11 to 24 form part of these financial statements.

Monsal Holdings Limited

Registered number: 06339215

Company balance sheet as at 31 March 2014

	Note	£	2014 £	£	2013 £
Fixed assets					
Investments	11		6,090,859		6,090,859
Current assets					
Debtors: amounts falling due after more than one year	13	1,018,655		1,636,473	
Debtors: amounts falling due within one year	13	3,793		9,866	
Cash at bank		-		4,541	
			<u>1,022,448</u>	<u>1,650,880</u>	
Creditors: amounts falling due within one year	14	<u>(51,500)</u>		<u>(90,243)</u>	
Net current assets			<u>970,948</u>		<u>1,560,637</u>
Total assets less current liabilities			<u>7,061,807</u>		<u>7,651,496</u>
Creditors: amounts falling due after more than one year	15		<u>(7,203,821)</u>		<u>(6,827,902)</u>
Net (liabilities)/assets			<u><u>(142,014)</u></u>		<u><u>823,594</u></u>
Capital and reserves					
Called up share capital	16		100,078		100,078
Share premium account	17		2,765,316		2,765,316
Profit and loss account	17		<u>(3,007,408)</u>		<u>(2,041,800)</u>
Shareholders' (deficit)/funds	18		<u><u>(142,014)</u></u>		<u><u>823,594</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on *16th January 2015*

R Gray
Director



The notes on pages 11 to 24 form part of these financial statements.

Monsal Holdings Limited

Consolidated cash flow statement for the year ended 31 March 2014

	Note	2014 £	2013 £
Net cash flow from operating activities	19	1,380,633	803,657
Returns on investments and servicing of finance	20	(65,961)	1,634
Taxation		48,533	-
Capital expenditure and financial investment	20	(16,014)	(15,705)
Cash inflow before financing		1,347,191	789,586
Financing	20	(428,058)	-
Increase in cash in the year		919,133	789,586

Reconciliation of net cash flow to movement in net funds/debt for the year ended 31 March 2014

	2014 £	2013 £
Increase in cash in the year	919,133	789,586
Cash outflow from decrease in debt and lease financing	428,058	-
Change in net debt resulting from cash flows	1,347,191	789,586
Other non-cash changes	(867,909)	(959,447)
Movement in net debt in the year	479,282	(169,861)
Net debt at 1 April 2013	(4,497,760)	(4,327,899)
Net debt at 31 March 2014	(4,018,478)	(4,497,760)

The notes on pages 11 to 24 form part of these financial statements.

Monsal Holdings Limited

Notes to the financial statements

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

1.2 Going concern

The group financial statements have been prepared on a going concern basis, notwithstanding net liabilities of £4,961,502 (2013: £4,800,078).

The directors have reviewed the financial position of the group, including the arrangements with fellow group undertakings. The directors have considered the financial position of the group's immediate group and ultimate parent.

On the basis of their assessment of the group's financial position and of the enquiries made by the directors of the intermediate holding company parent, the group's directors have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the immediate group to continue as a going concern. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so. Accordingly they expect that the group will be able to continue in operational existence for the foreseeable future and hence continue to adopt the going concern basis of accounting in preparing the annual financial statements.

1.3 Basis of consolidation

The financial statements consolidate the accounts of Monsal Holdings Limited and all of its subsidiary undertakings ('subsidiaries').

1.4 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.

Profit is recognised on long-term contracts, if the final outcome can be assessed with reasonable certainty, by including in the profit and loss account turnover and related costs as contract activity progresses. When a contract is split into phases, turnover and profit may be recognised separately within each phase. Turnover is calculated as that proportion of contract phase value which costs to date bear to total expected costs for that phase of the contract.

1.5 Intangible fixed assets and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the profit and loss account over its estimated economic life.

Amortisation is provided at the following rates:

Goodwill	- 20 years straight line
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1.6 Tangible fixed assets and depreciation

Monsal Holdings Limited

Notes to the financial statements

1. Accounting policies (continued)

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Long-term leasehold property	-	Over the lease period
Fixtures and fittings	-	20% straight line
Office equipment	-	33.3% straight line

1.7 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

1.8 Operating leases

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

1.9 Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.10 Taxation

Taxation for the year is based on the loss for the year.

Full provision is made for deferred tax liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

1.11 Research and development

The company incurs development costs on research and development projects which are concentrated on the development of new products, new processes, quality improvement of existing processes and cost reduction programmes. Research is also undertaken into various aspects of water process systems. Such expenditure is expensed to the profit and loss account in the year it is incurred unless the criteria of the Financial Reporting Standards are met, in which case expenditure is capitalised and written off over three years.

Monsal Holdings Limited

Notes to the financial statements

1. Accounting policies (continued)

1.12 Long-term contracts

Amounts recoverable on long term contracts, which are included in debtors, are stated at the net sales value of the work done after provision for the contingencies and anticipated future losses on contracts, less amounts received as progress payments on account. Excess progress payments are included in creditors as payments on account.

1.13 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

1.14 Convertable loan notes

The group has issued convertible loan notes. A finance cost is recognised in respect of the interest payable on the instrument. Fair values have been ascribed to the convertible loan notes using a discount rate of 15% to derive an expected cost at the date of conversion. Costs are accrued on a straight line basis over the period to July 2016.

2. Turnover

The whole of the turnover is attributable to the principal activity.

All turnover arose within the United Kingdom.

3. Operating profit

The operating profit is stated after charging:

	2014 £	2013 £
Amortisation - intangible fixed assets	152,779	152,779
Depreciation of tangible fixed assets:		
- owned by the group	21,157	23,706
Operating lease rentals:		
- other operating leases	35,967	37,364
	<u>152,779</u>	<u>152,779</u>

4. Auditors' remuneration

	2014 £	2013 £
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	20,000	15,000
	<u>20,000</u>	<u>15,000</u>

Monsal Holdings Limited

Notes to the financial statements

5. Staff costs

Staff costs, including directors' remuneration, were as follows:

	2014 £	2013 £
Wages and salaries	1,618,856	1,241,076
Social security costs	182,431	131,221
Other pension costs	46,250	37,182
	<u>1,847,537</u>	<u>1,409,479</u>

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

	2014 No.	2013 No.
Operations	<u>33</u>	<u>26</u>

6. Directors' remuneration

	2014 £	2013 £
Remuneration	<u>283,719</u>	<u>171,571</u>
Company pension contributions to defined contribution pension schemes	<u>4,375</u>	<u>3,812</u>

During the year retirement benefits were accruing to 1 director (2013: 1) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £156,217 (2013: £86,320).

7. Interest payable and similar charges

	2014 £	2013 £
On other loans	862,269	885,910
Arrangement fees amortisation	73,718	73,717
	<u>935,987</u>	<u>959,627</u>

8. Taxation

	2014 £	2013 £
UK corporation tax credit on loss for the year	<u>(16,308)</u>	<u>(48,533)</u>

Monsal Holdings Limited

Notes to the financial statements

8. Taxation (continued)

Factors affecting current tax charge for the year

The current tax assessed for the year is lower than (2013: lower than) the standard rate of corporation tax in the UK of 23% (2013: 24%). The differences are explained below:

	2014 £	2013 £
Loss on ordinary activities before tax	<u>(177,732)</u>	<u>(779,603)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 23% (2013: 24%)	(40,880)	(187,105)
Effects of:		
Non-tax deductible amortisation of goodwill and impairment	35,139	-
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	2,092	58,107
Capital allowances for year in excess of depreciation	4,359	251
Utilisation of tax losses	(117,466)	(50,284)
Short term timing difference leading to an increase (decrease) in taxation	116,756	179,031
R&D tax credits receivable in respect of prior periods	(16,308)	(48,533)
Current tax credit for the year (see note above)	<u>(16,308)</u>	<u>(48,533)</u>

Factors that may affect future tax charges

The group has taxable losses of £3,054,000 (2013: £3,997,000) to carry forward against future trading profits. The group has non-trade loan losses of £998,061 (2013: £602,000) to carry forward.

Deferred tax assets and liabilities on all timing differences have been calculated at 21%, being the rate of UK corporation tax that was enacted at the balance sheet date, including those expected to reverse in the year ended 31 March 2015 (the overall overage rate for which would otherwise be 21%. The impact of this, and that of the below changes in the corporation tax rate, on the financial statements is not considered to be material.

The UK corporation tax rate was reduced from 24% to 23% on 1 April 2013. It was announced that this rate would be reduced to 21% with effect from 1 April 2014 with a further reduction to 20% with effect from 1 April 2015. Both of these rates were enacted at the balance sheet date. There are no other factors that may significantly affect future tax charges.

Monsal Holdings Limited

Notes to the financial statements

9. Intangible fixed assets

	Goodwill £
Group	
Cost	
At 1 April 2013 and 31 March 2014	3,088,282
Amortisation	
At 1 April 2013	987,569
Charge for the year	152,779
At 31 March 2014	1,140,348
Net book value	
At 31 March 2014	1,947,934
At 31 March 2013	2,100,713

10. Tangible fixed assets

	Long-term leasehold property £	Fixtures and fittings £	Office equipment £	Total £
Group				
Cost				
At 1 April 2013	20,661	86,491	132,054	239,206
Additions	1,151	4,067	10,796	16,014
At 31 March 2014	21,812	90,558	142,850	255,220
Depreciation				
At 1 April 2013	12,484	81,662	102,291	196,437
Charge for the year	1,580	7,565	12,012	21,157
At 31 March 2014	14,064	89,227	114,303	217,594
Net book value				
At 31 March 2014	7,748	1,331	28,547	37,626
At 31 March 2013	8,177	4,829	29,763	42,769

11. Fixed asset investments

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Class of shares	Holding
Monsal Limited	Ordinary shares	100 %
Montra Mixing Limited (Dormant)	Ordinary shares	100 %
Monsal Thermal Limited (Dormant)	Ordinary shares	100 %

Monsal Holdings Limited

Notes to the financial statements

11. Fixed asset investments (continued)

<i>Company</i>	Investments in subsidiary companies £
<i>Cost or valuation</i>	
At 1 April 2013 and 31 March 2014	6,090,859
<i>Net book value</i>	
At 31 March 2014	6,090,859
At 31 March 2013	6,090,859

The directors have considered the recoverability of the company's investment in its subsidiary company, Monsal Limited, which is included in the balance sheet at its cost of £6,058,059. They have prepared forecasts of the expected cashflows generated by Monsal Limited and reviewed the valuations attributed to equivalent companies in Monsal Limited's sector. As the investment in Monsal Limited is the company's only significant asset, the directors have also considered the level at which recent investments into the company's own share capital have been made. As a result of this work the directors have concluded that the cost of the investment in Monsal Limited is recoverable and therefore no provision has been made against its value.

12. Stocks

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Raw materials	2,498	2,500	-	-
Work in progress	-	252	-	-
	2,498	2,752	-	-

Monsal Holdings Limited

Notes to the financial statements

13. Debtors

	<u>Group</u>		<u>Company</u>	
	2014 £	2013 £	2014 £	2013 £
<i>Due after more than one year</i>				
Trade debtors	352,119	199,354	-	-
Amounts owed by group undertakings	-	-	1,018,655	1,636,473
	<u>352,119</u>	<u>199,354</u>	<u>1,018,655</u>	<u>1,636,473</u>
	<u>Group</u>		<u>Company</u>	
	2014 £	2013 £	2014 £	2013 £
<i>Due within one year</i>				
Trade debtors	1,797,853	1,479,865	-	-
Other debtors	99,620	89,352	3,793	9,866
Amounts recoverable on long term contracts	24,855	127,137	-	-
Tax recoverable	16,308	48,533	-	-
	<u>1,938,636</u>	<u>1,744,887</u>	<u>3,793</u>	<u>9,866</u>

The amounts recognised and unrecognised in respect of deferred tax assets are set out below.

Deferred tax asset - group

	2014 Provided £	2014 Unprovided £	2013 Provided £	2013 Unprovided £
Difference between accumulated depreciation and capital allowances	-	3,400	-	(634)
Other short term timing differences	-	321,227	-	357,152
Losses	-	962,302	-	1,049,329
	<u>-</u>	<u>1,286,929</u>	<u>-</u>	<u>1,405,847</u>
Total	-	1,286,929	-	1,405,847

Monsal Holdings Limited

Notes to the financial statements

Deferred tax asset - company

	2014 Provided £	2014 Unprovided £	2013 Provided £	2013 Unprovided £
Other short term timing differences	-	294,595	-	322,652
Losses	-	321,064	-	130,020
Total	-	615,659	-	452,672

The company does not in the foreseeable future expect to have taxable profits after group relief from which the future reversal of the underlying timing differences can be deducted. The directors do not therefore consider it appropriate to recognise a deferred tax asset.

14. Creditors: Amounts falling due within one year

	Group		Company	
	2014 £	2013 £	2014 £	2013 £
Payments received on account	1,439,606	1,059,488	-	-
Trade creditors	2,359,179	1,900,648	20,905	57,743
Other taxation and social security	159,271	37,344	-	-
Other creditors	1,087,719	1,112,830	30,595	32,500
	5,045,775	4,110,310	51,500	90,243

15. Creditors: Amounts falling due after more than one year

	Group		Company	
	2014 £	2013 £	2014 £	2013 £
Bank loans	7,203,821	6,763,970	7,203,821	6,763,970
Other creditors	176,062	282,483	-	63,932
	7,379,883	7,046,453	7,203,821	6,827,902

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Notes to the financial statements

15. Creditors: Amounts falling due after more than one year (continued)

The loan stock is secured by a debenture over all assets and investments of the company and by a cross guarantee given by Monsal Limited

The company issued £2,700,000 of convertible loan notes in July 2010 to fund the development activities and general corporate purposes.

These convertible loan notes will convert into ordinary shares at the time a liquidity event (as defined in the loan agreement) occurs. In the event that a liquidity event does not occur by July 2016, the company will pay principal and any accrued interest to the loan note holder.

In respect of the conversion option the expected costs of meeting the company's obligations under these arrangements are accrued on a straight line basis over the period to July 2016.

The loan stock is made up of the following stocks.

8.62% fixed rate secured loan stock on which interest was paid until 31 December 2010 and then accrued on a quarterly basis thereafter. The full loans of £2,085,000 plus any accrued interest is repayable in 2016.

25% fixed rate secured loan stock on which interest is accrued on a quarterly basis. The full loan of £250,000 plus any accrued interest is repayable in 2016.

30% fixed rate secured loan stock on which interest is accrued on a quarterly basis. The full loan of £250,000 plus any accrued interest is repayable in 2016.

8% fixed rate secured convertible loan stock on which interest is added to the amount of the loan. The full loan of £2,700,000 is repayable in July 2016 if no liquidity event has occurred.

16. Share capital

	2014 £	2013 £
Allotted, called up and fully paid		
43,574 A ordinary shares shares of £1 each	43,574	43,574
56,504 B ordinary shares shares of £1 each	56,504	56,504
	<hr/>	<hr/>
	100,078	100,078
	<hr/>	<hr/>

Monsal Holdings Limited

Notes to the financial statements

17. Reserves

	Share premium account £	Profit and loss account £
Group		
At 1 April 2013	2,765,316	(7,665,472)
Loss for the financial year		(161,424)
	<u>2,765,316</u>	<u>(7,826,896)</u>
At 31 March 2014		
	<u>2,765,316</u>	<u>(7,826,896)</u>
	Share premium account £	Profit and loss account £
Company		
At 1 April 2013	2,765,316	(2,041,800)
Loss for the financial year		(965,608)
	<u>2,765,316</u>	<u>(3,007,408)</u>
At 31 March 2014		
	<u>2,765,316</u>	<u>(3,007,408)</u>

18. Reconciliation of movement in shareholders' deficit

	2014 £	2013 £
Group		
Opening shareholders' deficit	(4,800,078)	(4,069,008)
Loss for the financial year	(161,424)	(731,070)
	<u>(4,961,502)</u>	<u>(4,800,078)</u>
Closing shareholders' deficit		
	<u>(4,961,502)</u>	<u>(4,800,078)</u>
	2014 £	2013 £
Company		
Opening shareholders' funds	823,594	1,566,911
Loss for the financial year	(965,608)	(743,317)
	<u>(142,014)</u>	<u>823,594</u>
Closing shareholders' (deficit)/funds		
	<u>(142,014)</u>	<u>823,594</u>

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own profit and loss account.

The loss for the year dealt with in the accounts of the company was £965,608 (2013: £-743,317).

Monsal Holdings Limited

Notes to the financial statements

19. Net cash flow from operating activities

	2014 £	2013 £
Operating profit	756,138	178,210
Amortisation of intangible fixed assets	152,779	152,779
Depreciation of tangible fixed assets	21,157	23,706
Decrease in stocks	254	8,780
(Increase)/decrease in debtors	(378,739)	44,693
Increase in creditors	829,044	395,489
Net cash inflow from operating activities	1,380,633	803,657

20. Analysis of cash flows for headings netted in cash flow statement

	2014 £	2013 £
Returns on investments and servicing of finance		
Interest received	2,117	1,814
Interest paid	(68,078)	(180)
Net cash (outflow)/inflow from returns on investments and servicing of finance	(65,961)	1,634
	2014 £	2013 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(16,014)	(15,705)
	2014 £	2013 £
Financing		
Repayment of loans	(428,058)	-

21. Analysis of changes in net debt

	1 April 2013 £	Cash flow £	Other non-cash changes £	31 March 2014 £
Cash at bank and in hand	2,266,210	919,133	-	3,185,343
Debt:				
Debts falling due after more than one year	(6,763,970)	428,058	(867,909)	(7,203,821)
Net debt	(4,497,760)	1,347,191	(867,909)	(4,018,478)

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Notes to the financial statements

22. Pension commitments

The group contributes to employees personal pension plans. The pension charge represents contributions payable by the company to these funds and amounted to £46,250 (2013: £37,182).

23. Operating lease commitments

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

	Land and buildings		2014	Other
	2014	2013		
Group	£	£	£	£
Expiry date:				
Within 1 year	-	17,250	-	885
Between 2 and 5 years	34,500	-	14,011	10,943

24. Related party transactions

The group has taken advantage of the exemption provided by Financial Reporting Standard No 8 not to disclose transactions with its 100% subsidiary undertakings on the basis that consolidated financial statements are publicly available.

At the year end the company owed the following balances to related parties

	2014	2013
	£	£
A Cumiskey	130,877	120,491
Venture capital trusts managed by Mobeus Equity Partners LLP	2,942,213	2,859,152
Mobeus Equity Partners LLP	15,857	25,742
Waste Resource Fund LP	4,507,815	4,044,078
	7,596,762	7,049,463

The balances are disclosed within related parties due to the following:

A Cumiskey is a shareholder and director.

The Venture capital trusts managed by Mobeus Equity Partners LLP are shareholders of the company.

Waste Resources Fund LP are shareholders of the company.

The following interest was payable in the year on related party loans: A Cumiskey £10,386 (2013: £9,530), Venture capital trusts managed by Mobeus Equity Partners LLP £281,515 (2013: £289,978), Waste Resource Fund LP £570,368 (2013: £586,402).

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Notes to the financial statements

25. Ultimate parent undertaking and controlling party

As at 31 March 2014, no single party could exercise control, the main shareholders were A Cumiskey and venture capital trusts managed by Mobeus Equity Partners LLP.

On 30 June 2014, 100% of the issued share capital of the company was acquired by GE Betz Limited, a company registered in England and Wales. GE Betz Limited is itself a wholly owned subsidiary of General Electric Company (GE), a company incorporated in the United States of America. As a result Monsal Holdings Limited became a fully owned subsidiary of GE.