REGISTERED NUMBER: SC091983

Report of the Directors and

Unaudited Financial Statements for the Year Ended 31 December 2012

for

GCG Shotblasting Services Ltd

GCG Shotblasting Services Ltd (Registered number: SC091983)

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for the Year Ended 31 December 2012

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GCG Shotblasting Services Ltd

Company Information
for the Year Ended 31 December 2012

DIRECTORS:	Michael Gaffney Joanne Gaffney Thomas Gaffney
SECRETARY:	Audrey Hepburn
REGISTERED OFFICE:	5 Rubislaw Terrace Aberdeen AB10 1XE
REGISTERED NUMBER:	SC091983
ACCOUNTANTS:	JDD Chartered Accountants 5 Rubislaw Terrace Aberdeen AB10 1XE

GCG Shotblasting Services Ltd (Registered number: SC091983)

Report of the Directors
for the Year Ended 31 December 2012

The directors present their report with the financial statements of the company for the year ended 31 December 2012.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of corrosion control. GCG provides a service to the oil, gas, renewable energy, decommissioning, water and chemical industries, protecting steelwork, equipment, pipework and structures subjected to erosion, corrosion and chemical attack.

REVIEW OF BUSINESS

We are pleased to report that we have made substantial progress in the two years since we set out our strategy to transform the company by strengthening it in key areas, reshaping it to focus on our customers and simplifying and improving our service, products and processes. As a result we are now well on track to create a solid foundation upon which the company can grow. There will be important work still to do, but an increasingly sound base from which to work from.

2012 was another very good year for GCG, with sales increasing by 27.04% over 2011 to produce a record turnover of £2.5m. The gross profit margin was maintained at about 24% despite a December flood resulting in the loss of 70% of the company's paint and consumable stocks. Administration costs increased, however last year saw an exceptional depreciation credit. Excluding depreciation, administration and interest costs increased by 24%, primarily a reflection of increases in marketing and training costs. The continuing profitability of the company has seen the 2011 overdraft of £155,000 become a positive bank balance of £97,000.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2012 to the date of this report.

Michael Gaffney
Joanne Gaffney
Thomas Gaffney

POLITICAL AND CHARITABLE CONTRIBUTIONS

During the year the company made local charitable donations totalling £250 (2011 £347).

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

Audrey Hepburn - Secretary

7 August 2013

GCG Shotblasting Services Ltd (Registered number: SC091983)

Profit and Loss Account
for the Year Ended 31 December 2012

	Notes	31.12.12 £	31.12.11 £
TURNOVER		2,525,902	1,988,304
Cost of sales		1,916,937	1,511,771
GROSS PROFIT		608,965	476,533
Administrative expenses		402,782	248,688
OPERATING PROFIT	2	206,183	227,845
Amounts written off investments	3	8,600	-
		197,583	227,845
Interest payable and similar charges		6,516	16,347
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		191,067	211,498
Tax on profit on ordinary activities	4	40,590	28,393
PROFIT FOR THE FINANCIAL YEAR		150,477	183,105

The notes form part of these financial statements

GCG Shotblasting Services Ltd (Registered number: SC091983)

Statement of Total Recognised Gains and Losses
for the Year Ended 31 December 2012

	31.12.12 £	31.12.11 £
PROFIT FOR THE FINANCIAL YEAR	150,477	183,105
Revaluation of land & buildings	-	296,070
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	150,477	479,175

The notes form part of these financial statements

GCG Shotblasting Services Ltd (Registered number: SC091983)

Balance Sheet
31 December 2012

	Notes	31.12.12 £	£	31.12.11 £	£
FIXED ASSETS					
Tangible assets	5		724,497		698,850
Investments	6		-		8,600
			724,497		707,450
CURRENT ASSETS					
Stocks		14,302		44,650	
Debtors	7	495,259		484,719	
Cash at bank and in hand		127,349		198	
		636,910		529,567	
CREDITORS					
Amounts falling due within one year	8	424,459		464,547	
NET CURRENT ASSETS			212,451		65,020
TOTAL ASSETS LESS CURRENT LIABILITIES			936,948		772,470
CREDITORS					
Amounts falling due after more than one year	9		14,001		-
NET ASSETS			922,947		772,470
CAPITAL AND RESERVES					
Called up share capital	12		307,500		307,500
Revaluation reserve	13		296,070		296,070
Capital redemption reserve	13		94,647		94,647
Profit and loss account	13		224,730		74,253
SHAREHOLDERS' FUNDS			922,947		772,470

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2012.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2012 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

(a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and

(b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

GCG Shotblasting Services Ltd (Registered number: SC091983)

Balance Sheet - continued
31 December 2012

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Directors on 7 August 2013 and were signed on its behalf by:

Michael Gaffney - Director

The notes form part of these financial statements

GCG Shotblasting Services Ltd (Registered number: SC091983)

Notes to the Financial Statements
for the Year Ended 31 December 2012

1. ACCOUNTING POLICIES

Accounting convention
The financial statements have been prepared under the historic cost convention which has been modified to include the revaluation of land and buildings.

Turnover
Turnover represents net invoiced sales of goods and services, excluding value added tax.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 4% on cost
Plant and machinery	- 20% on cost
Motor vehicles	- 25% on cost
Computer equipment	- 33% 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.

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, which ever is shorter.

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

Pensions
The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions payable for the year are charged in the profit and loss account.

2. OPERATING PROFIT

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

	31.12.12	31.12.11
	£	£
Depreciation - owned assets	29,540	(40,275)

Pension costs	9,958	9,958
Directors' remuneration	48,796	45,000

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3. AMOUNTS WRITTEN OFF INVESTMENTS

	31.12.12	31.12.11
	£	£
Investment write off	8,600	-

4. TAXATION

Analysis of the tax charge

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

	31.12.12	31.12.11
	£	£
Current tax:		
UK corporation tax	40,591	5,657
Prior year adjustment	(1)	22,736
Tax on profit on ordinary activities	40,590	28,393

Factors that may affect future tax charges

If the revalued fixed assets were disposed of at their revalued amounts, capital gains tax amounting to £66,256 would be payable..

5. TANGIBLE FIXED ASSETS

	Freehold property	Plant and machinery	Motor vehicles	Computer equipment	Totals
	£	£	£	£	£
COST					
At 1 January 2012	894,792	802,634	96,872	9,021	1,803,319
Additions	29,438	19,995	-	5,754	55,187
Disposals	-	(426,746)	(43,645)	(4,372)	(474,763)
At 31 December 2012	924,230	395,883	53,227	10,403	1,383,743
DEPRECIATION					
At 1 January 2012	219,792	781,634	94,190	8,853	1,104,469
Charge for year	11,821	15,472	2,079	168	29,540
Eliminated on disposal	-	(426,746)	(43,645)	(4,372)	(474,763)
At 31 December 2012	231,613	370,360	52,624	4,649	659,246
NET BOOK VALUE					
At 31 December 2012	692,617	25,523	603	5,754	724,497
At 31 December 2011	675,000	21,000	2,682	168	698,850

Included in cost of land and buildings is freehold land of £ 599,255 (2011 - £ 599,255) which is not depreciated.

The land and buildings were valued on the basis of an open market valuation for existing use at 16 August 2010 by J & E Shepherd, Chartered Surveyors. The comparable historical cost for the freehold land and buildings included at valuation is £373,160 (2011 - £343,722). The directors are not aware of the occurrence of any impairment of the valuation since 16 August 2010.

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6. FIXED ASSET INVESTMENTS

	Unlisted investments £
COST	
At 1 January 2012	8,600
Impairments	(8,600)
At 31 December 2012	-
NET BOOK VALUE	
At 31 December 2012	-
At 31 December 2011	8,600

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.12 £	31.12.11 £
Trade debtors	401,755	469,691
Other debtors	93,504	15,028
	495,259	484,719

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.12 £	31.12.11 £
Bank loans and overdrafts	32,608	155,171
Trade creditors	236,758	206,486
Taxation and social security	87,239	77,199
Other creditors	67,854	25,691
	424,459	464,547

9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.12.12 £	31.12.11 £
Bank loans	14,001	-

10. OPERATING LEASE COMMITMENTS

Where plant and equipment are hired, there is no commitment beyond the day of hire.

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11. SECURED DEBTS

The following secured debts are included within creditors:

	31.12.12	31.12.11
	£	£
Bank overdraft	-	155,171
Bank loans	46,609	-
	46,609	155,171

The bank loans and overdrafts are secured by a fixed and floating charge over the assets of the company.

12. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.12.12 £	31.12.11 £
300,000	Ordinary shares	£1	300,000	300,000
7,500	Non voting 'A' ordinary shares	£1	7,500	7,500
			307,500	307,500

13. RESERVES

	Profit and loss account £	Revaluation reserve £	Capital redemption reserve £	Totals £
At 1 January 2012	74,253	296,070	94,647	464,970
Profit for the year	150,477			150,477
At 31 December 2012	224,730	296,070	94,647	615,447

14. ULTIMATE CONTROLLING PARTY

The company is controlled by its three directors, who own all the company's voting shares.

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