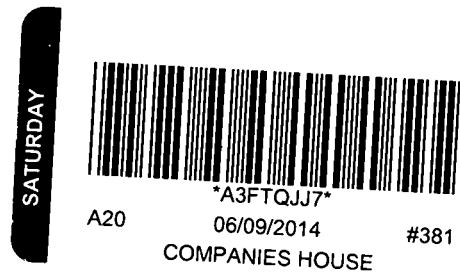


HYDRAPOWER DYNAMICS LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2013



BLOOMER HEAVEN LIMITED
Chartered Accountants & Registered Auditors
Rutland House
148 Edmund Street
Birmingham
B3 2FD

HYDRAPOWER DYNAMICS LIMITED**CONTENTS**

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HYDRAPOWER DYNAMICS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2013

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

Directors

The directors who served during the year were:

P. Browne
B. McDonough
M. Morran

Results

The profit for the year, after taxation, amounted to £111,754 (2012 - £273,429).

Directors' responsibilities statement

The directors are responsible for preparing the 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 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 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 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.

Disclosure of information to auditor

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's auditor is 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's auditor is aware of that information.

HYDRAPOWER DYNAMICS LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2013**

Auditor

The auditor, Bloomer Heaven Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 2 September 2014 and signed on its behalf.



**P. Browne
Director**

HYDRAPOWER DYNAMICS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2013

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 that we face.

Business review

This years turnover was below expectations compared to the exceptional heights of 2012. Turnover for the period 2013 was £8,545,910 compared to £9,469,851 in 2012. Gross margin has remained the same at 42%. Overall we have returned a lower than expected operating profit of £150,968 compared to £400,248 in 2012. The working capital position has improved to £1,033,410 from £678,786 in 2012.

We feel that the strength of the business is the diverse nature of our operations and we have seen further improvements not only in our efficiency helped by the introduction of a complete new computer system, but also the appointment of new managers in strategic positions. We have expanded our new distribution warehouse with the introduction new more efficient racking system and plan further expansion into additional premises.

Principal risks and uncertainties

In common with similar businesses, the company continues to face a challenging business environment and a competitive market, however these risks are continually monitored by the board and appropriate strategies are put in place.

The directors acknowledge responsibility for the company's system of internal financial control and believe the established systems, including the computerisation of the company's financial accounts, are appropriate to the business. No material losses or contingencies have arisen during the 12 months trading period that would require further disclosure by the directors. It is the directors' belief that the profits earned and retained within the group are sufficient to ensure the company has adequate resources to continue existing trading policies.

Financial key performance indicators

The financial measures (turnover, gross and net profit) are those which we consider key to monitoring the performance of the company alongside cash flow. In addition we monitor the non-financial measure of product diversity.

This report was approved by the board on 2 September 2014 and signed on its behalf.



P. Browne
Director

HYDRAPOWER DYNAMICS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF HYDRAPOWER DYNAMICS LIMITED

We have audited the financial statements of Hydrapower Dynamics Limited for the year ended 31 December 2013, set out on pages 6 to 18. 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 Auditor's 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 auditor

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

Opinion on other matter prescribed by the Companies Act 2006

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

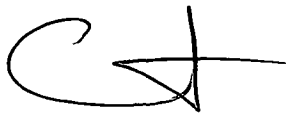
HYDRAPOWER DYNAMICS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF HYDRAPOWER DYNAMICS 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, 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.



**Christopher Barlow ACA FCCA (Senior statutory auditor)
for and on behalf of Bloomer Heaven Limited (Statutory auditor)**

Chartered Accountants & Registered Auditors

Rutland House
148 Edmund Street
Birmingham
B3 2FD

2 September 2014

HYDRAPOWER DYNAMICS LIMITED**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2013**

	Note	2013 £	2012 £
Turnover	1,2	8,545,910	9,469,851
Cost of sales		(4,938,415)	(5,475,602)
		<hr/>	<hr/>
Gross profit		3,607,495	3,994,249
Distribution costs		(325,747)	(332,396)
Administrative expenses		(3,130,780)	(3,261,605)
		<hr/>	<hr/>
Operating profit	3	150,968	400,248
Interest payable and similar charges	6	(11,527)	(9,666)
		<hr/>	<hr/>
Profit on ordinary activities before taxation		139,441	390,582
Tax on profit on ordinary activities	7	(27,687)	(117,153)
		<hr/>	<hr/>
Profit for the financial year	16	111,754	273,429
		<hr/> <hr/>	<hr/> <hr/>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2013 or 2012 other than those included in the profit and loss account.

The notes on pages 8 to 18 form part of these financial statements.

HYDRAPOWER DYNAMICS LIMITED
REGISTERED NUMBER: 01737504

BALANCE SHEET
AS AT 31 DECEMBER 2013

	Note	£	2013 £	£	2012 £
Fixed assets					
Tangible assets	8		1,491,200		1,559,340
Investments	9		-		25,200
			<u>1,491,200</u>		<u>1,584,540</u>
Current assets					
Stocks	10	955,398		1,014,848	
Debtors	11	2,106,039		2,097,884	
Cash at bank and in hand		2,585		37,230	
			<u>3,064,022</u>	<u>3,149,962</u>	
Creditors: amounts falling due within one year	12	(2,030,612)		(2,471,176)	
Net current assets			<u>1,033,410</u>		<u>678,786</u>
Total assets less current liabilities			<u>2,524,610</u>		<u>2,263,326</u>
Creditors: amounts falling due after more than one year	13		(238,472)		(85,446)
Provisions for liabilities					
Deferred tax	14		(31,563)		(35,059)
Net assets			<u>2,254,575</u>		<u>2,142,821</u>
Capital and reserves					
Called up share capital	15		99,022		99,022
Revaluation reserve	16		248,872		207,863
Capital redemption reserve	16		1,005		1,005
Profit and loss account	16		1,905,676		1,834,931
Shareholders' funds	17		<u>2,254,575</u>		<u>2,142,821</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 2 September 2014.


P. Browne
Director

The notes on pages 8 to 18 form part of these financial statements.

HYDRAPOWER DYNAMICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of freehold property and in accordance with applicable accounting standards.

The company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

1.2 Cash flow

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with Financial Reporting Standard Number 1.

1.3 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax.

1.4 Tangible fixed assets and depreciation

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

Freehold property	-	2% straight line
Plant & machinery	-	10% straight line
Motor vehicles	-	25% straight line
Fixtures & fittings	-	25% reducing balance

1.5 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

1.6 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. 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 a constant periodic rate of charge on the net obligation outstanding in each period.

HYDRAPOWER DYNAMICS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

1. Accounting Policies (continued)

1.7 Operating leases

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.8 Stocks

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

1.9 Deferred taxation

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

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets in the financial statements.

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.

1.10 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the profit and loss account.

1.11 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.

HYDRAPOWER DYNAMICS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

2. Turnover

A geographical analysis of turnover is as follows:

	2013 £	2012 £
United Kingdom	8,242,320	8,949,097
Rest of European Union	168,929	520,754
Rest of world	134,661	-
	<u>8,545,910</u>	<u>9,469,851</u>

3. Operating profit

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

	2013 £	2012 £
Depreciation of tangible fixed assets:		
- owned by the company	60,590	61,734
- held under finance leases	21,194	22,168
Auditor's remuneration	7,789	6,034
Operating lease rentals:		
- plant and machinery	43,697	31,879
Difference on foreign exchange	(6,998)	45,671
Research and development expenditure written off	4,844	-
	<u></u>	<u></u>

4. Staff costs

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

	2013 £	2012 £
Wages and salaries	2,139,709	2,165,565
Social security costs	189,623	189,230
Other pension costs	36,394	33,143
	<u>2,365,726</u>	<u>2,387,938</u>

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

	2013 No.	2012 No.
Production, administration and management	<u>101</u>	<u>103</u>

HYDRAPOWER DYNAMICS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

5. Directors' remuneration

	2013 £	2012 £
Remuneration	177,030	182,622
Company pension contributions to defined contribution pension schemes	18,454	17,079

During the year retirement benefits were accruing to 3 directors (2012 - 3) in respect of defined contribution pension schemes.

6. Interest payable

	2013 £	2012 £
On bank loans and overdrafts	2,694	3,972
On finance leases and hire purchase contracts	8,833	5,694
	11,527	9,666

7. Taxation

	2013 £	2012 £
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	37,279	115,208
Adjustments in respect of prior periods	(6,096)	-
Total current tax	31,183	115,208
Deferred tax (see note 14)		
Origination and reversal of timing differences	(3,496)	1,945
Tax on profit on ordinary activities	27,687	117,153

HYDRAPOWER DYNAMICS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

7. Taxation (continued)**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2012 - higher than) the standard rate of corporation tax in the UK of 23.25% (2012 - 24.5%). The differences are explained below:

	2013 £	2012 £
Profit on ordinary activities before tax	139,441	390,582
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 23.25% (2012 - 24.5%)	32,420	95,693
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	3,316	11,435
Movement in respect of capital allowances allowed versus depreciation charged	6,243	6,473
Adjustments to tax charge in respect of prior periods	(6,096)	-
Short term timing difference leading to an (decrease)/increase in taxation	(69)	1,925
Marginal relief	(4,631)	(318)
Current tax charge for the year (see note above)	31,183	115,208

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

HYDRAPOWER DYNAMICS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

8. Tangible fixed assets

	Freehold property £	Plant & machinery £	Motor vehicles £	Fixtures & fittings £	Total £
Cost or valuation					
At 1 January 2013	1,300,000	959,209	28,888	658,686	2,946,783
Additions	-	27,348	-	-	27,348
Disposals	-	-	(24,388)	-	(24,388)
At 31 December 2013	1,300,000	986,557	4,500	658,686	2,949,743
Depreciation					
At 1 January 2013	78,012	755,507	10,596	543,328	1,387,443
Charge for the year	26,004	29,112	4,588	22,080	81,784
On disposals	-	-	(10,684)	-	(10,684)
At 31 December 2013	104,016	784,619	4,500	565,408	1,458,543
Net book value					
At 31 December 2013	1,195,984	201,938	-	93,278	1,491,200
At 31 December 2012	1,221,988	203,702	18,292	115,358	1,559,340

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2013 £	2012 £
Plant and machinery	71,882	84,857
Motor vehicles	-	18,292
Fixtures & fittings	36,354	48,473
	<u>108,236</u>	<u>151,622</u>

Cost or valuation at 31 December 2013 is as follows:

	Freehold property £
At cost	-
At valuation:	
Professional valuation 25 November 2010	1,300,000
	<u>1,300,000</u>

HYDRAPOWER DYNAMICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

8. Tangible fixed assets (continued)

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

	2013 £	2012 £
Cost	1,352,684	1,352,684
Accumulated depreciation	(405,572)	(378,518)
Net book value	<u>947,112</u>	<u>974,166</u>

The property was valued in November 2010 by Aitchison Raffety Property Consultants on an open market basis.

9. Fixed asset investments

	Investments in subsidiary companies £
Cost	
At 1 January 2013	25,200
Amounts written off	(25,200)
At 31 December 2013	<u>-</u>
Net book value	
At 31 December 2013	<u>-</u>
At 31 December 2012	<u>25,200</u>

The company owned 100% of the issued share capital of Hydrapower Dynamics (Warwick) Limited throughout the year. The aggregate of share capital and reserves of this company were £25,000 at the balance sheet date. The company remained dormant throughout the year and has therefore recognised neither a profit nor a loss for the year. Hydrapower Dynamics (Warwick) Limited was dissolved on 21 January 2014.

The company owned 75% of the issued share capital of Hydrapower Dynamics (Staffs) Limited throughout the year. The aggregate of share capital and reserves of this company were £Nil at the balance sheet date. The company remained dormant throughout the year and has therefore recognised neither a profit nor a loss for the year. Hydrapower Dynamics (Staffs) Limited was dissolved on 25 February 2014.

HYDRAPOWER DYNAMICS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

10. Stocks

	2013 £	2012 £
Finished goods and goods for resale	<u>955,398</u>	<u>1,014,848</u>

11. Debtors

	2013 £	2012 £
Trade debtors	1,845,187	1,874,467
Amounts owed by group undertakings	246,857	212,845
Prepayments and accrued income	13,995	10,572
	<u>2,106,039</u>	<u>2,097,884</u>

The company has debtors secured under an invoice discounting agreement of £1,568,237 (2012: £1,555,213) on which advances have been received from the invoice discounter of £593,543 (2012: £884,838). These advances are included within other creditors.

**12. Creditors:
Amounts falling due within one year**

	2013 £	2012 £
Bank loans and overdrafts	69,443	37,506
Net obligations under finance leases and hire purchase contracts	40,878	68,326
Trade creditors	951,617	981,945
Amounts owed to group undertakings	-	25,200
Corporation tax	38,173	115,208
Other taxation and social security	200,270	247,506
Other creditors	614,468	907,108
Accruals and deferred income	115,763	88,377
	<u>2,030,612</u>	<u>2,471,176</u>

Bank loans and overdrafts of £69,443 (2012: £37,506) are secured by a legal charge over the company's property. Net obligations under finance leases and hire purchase contracts of £40,878 (2012: £68,326) are secured on the assets to which they relate. Other creditors related to advances from invoice factorers of £593,543 (2012: £884,838) are secured on the debts to which they relate.

HYDRAPOWER DYNAMICS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

**13. Creditors:
Amounts falling due after more than one year**

	2013 £	2012 £
Bank loans	225,057	35,999
Net obligations under finance leases and hire purchase contracts	13,415	49,447
	<u>238,472</u>	<u>85,446</u>

Included within the above are amounts falling due as follows:

	2013 £	2012 £
Between one and two years		
Bank loans	69,841	9,841
	<u> </u>	<u> </u>
Between two and five years		
Bank loans	155,216	26,158
	<u> </u>	<u> </u>

Obligations under finance leases and hire purchase contracts, included above, are payable as follows:

	2013 £	2012 £
Between one and five years	13,415	49,447
	<u> </u>	<u> </u>

Bank loans and overdrafts of £225,057 (2012: £35,999) are secured by a legal charge over the company's property. Net obligations under finance leases and hire purchase contracts of £13,415 (2012: £49,447) are secured on the assets to which they relate.

14. Deferred taxation

	2013 £	2012 £
At beginning of year	35,059	33,114
(Released during)/charge for year	(3,496)	1,945
	<u> </u>	<u> </u>
At end of year	31,563	35,059
	<u> </u>	<u> </u>

The provision for deferred taxation is made up as follows:

	2013 £	2012 £
Accelerated capital allowances	31,563	35,059
	<u> </u>	<u> </u>

HYDRAPOWER DYNAMICS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

15. Share capital

	2013 £	2012 £
Allotted, called up and fully paid		
98,797 Ordinary shares of £1 each	98,797	98,797
200 Ordinary 'A' shares of £1 each	200	200
25 Ordinary 'B' shares of £1 each	25	25
	<hr/>	<hr/>
	99,022	99,022
	<hr/>	<hr/>

The Ordinary 'A' and Ordinary 'B' shares carry no voting rights and the holders are not entitled to receive notice of or attend any general meeting of the company. On winding up, the holders of the Ordinary 'A' and Ordinary 'B' shares are only entitled to receive the nominal value of the shares.

16. Reserves

	Capital redemption reserve £	Revaluation reserve £	Profit and loss account £
At 1 January 2013	1,005	207,863	1,834,931
Profit for the financial year	-	-	111,754
Transfer between revaluation reserve and profit and loss account	-	41,009	(41,009)
	<hr/>	<hr/>	<hr/>
At 31 December 2013	1,005	248,872	1,905,676
	<hr/>	<hr/>	<hr/>

17. Reconciliation of movement in shareholders' funds

	2013 £	2012 £
Opening shareholders' funds	2,142,821	1,869,392
Profit for the financial year	111,754	273,429
	<hr/>	<hr/>
Closing shareholders' funds	2,254,575	2,142,821
	<hr/>	<hr/>

18. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £36,394 (2012: £33,143). Contributions totalling £4,854 (2012: £7,859) were payable to the fund at the balance sheet date and are included in creditors.

HYDRAPOWER DYNAMICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

19. Operating lease commitments

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

	Land and buildings		Other	
	2013	2012	2013	2012
	£	£	£	£
Expiry date:				
Within 1 year	-	-	4,633	8,701
Between 2 and 5 years	-	-	28,732	16,876
After more than 5 years	15,000	7,500	4,860	4,860
Total	15,000	7,500	38,225	30,437

20. Related party transactions

The company has taken advantage of the exemptions within Financial Reporting Standard Number 8 not to disclose transactions with its ultimate parent undertaking or any wholly owned subsidiary undertaking of the group.

21. Ultimate parent undertaking and controlling party

The parent undertaking is Hydrapower Dynamics Holdings Limited, a company registered in England and Wales and for which consolidated financial statements are prepared. These financial statements are available from:

St. Marks Street
Birmingham
West Midlands
B1 2UN

The ultimate controlling parties are M. Morran and P. Browne due to their shareholdings in the parent undertaking.