

A-Gas (UK) Limited

Annual Report and financial statements

Registered number 2752249

31 December 2013

TUESDAY



A3HJ9XXU

A28

30/09/2014

#75

COMPANIES HOUSE

Contents

Company information	1
Strategic Report	2
Directors' Report	4
Statement of directors' responsibilities in respect of the Strategic Report, the Directors' Report and the financial statements	6
Independent auditor's report to the members of A-Gas (UK) Limited	7
Profit and Loss Account	9
Balance Sheet	10
Notes	11

Company information

Directors

J Rutley
JP Masters
RO Buissinne
JL Ormerod
R Briere – Resigned 26 June 2013
REM Stewart – Appointed 03 March 2014

Secretary

REM Stewart – Appointed 03 March 2014
R Briere – Resigned 26 June 2013

Auditor

KPMG LLP
100 Temple Street
Bristol
BS1 6AG

Bankers

Royal Bank of Scotland
PO Box 34
15 Bishops gate
London
EC2P 2AP

Solicitors

Burges Salmon
Narrow Quay
Bristol
BS1 4AH

Registered Office

Banyard Road
Portbury West
Bristol
BS20 7XH

Strategic Report

Business model

The company's business model is to provide a full range distribution and reclamation service of specialty gases and chemicals. Stricter environmental legislation has imposed specialist packaging and handling requirements for specialty chemicals and gases and the company adds value by down-packing these products into assets (cylinders) to enable end-users access to these products in practical quantities. Some of the products supplied by the company are environmentally sensitive, and recovery of these products at their end of life for recycling and reclamation also forms a key part of the business model.

As with all capital intensive businesses, a focus on key performance indicators like gross margin and current ratio ensures that the business monitors and measures the achievement of the broader company objectives.

Business Review

The company's financial and other key performance indicators during the year were as follows:

	2013	2012
	£000	£000
Turnover	17,113	17,842
Gross profit	6,679	7,793
Operating profit	2,952	4,138
Operating profit after exceptional income	2,952	5,122
Profit after tax	2,244	3,694
Equity shareholder's funds	9,264	8,520
Current assets as a percentage of current liabilities	141%	125%
Average number of employees	57	53

The company has enjoyed another successful year of trading, consolidating its position as the UK's leading supplier of refrigerants and foam blowing agents and extending its reach into Europe.

Reduction in turnover reflected a competitive market, and a weakening of market pricing. We continue to devote significant resource and investment toward our objective of being a broader based environmental business, investing over £1.8m in capital expenditure during the year.

Cost control and maintaining the strength of the balance sheet were also key priorities with satisfactory results, despite the difficult market conditions; we were satisfied with our financial performance.

We are optimistic that Europe will offer further growth opportunities in 2014, which should allow us to make some progress from our 2013 performance, whilst we continue to anticipate market conditions will remain subdued for much of 2014.

Principal Risks and uncertainties

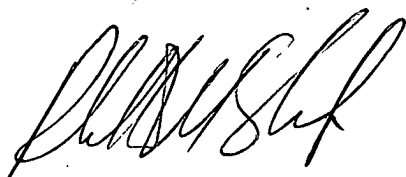
In addition to usual business risks (as shown in the Directors Report), the environmentally sensitive nature of some of the company's products means that legislation designed to reduce or limit the effect of these products on the environment can be considered to be a risk. The company is well positioned to benefit from these legislative changes by offering alternative, more environmentally-friendly products, as well as offering recycling and disposal services for the products no longer required.

Strategic Report *(continued)*

Future Developments

The Board anticipates that 2014 will remain stable in terms of demand and pricing with opportunity arising from developing environmental services across a wider geography and across different sectors. Continued diversification of the product range into adjacent products and markets with further support the business objectives. The anticipated revision of the EU F-Gas regulation is not expected to come into force before 2015; this revision is expected to increase demand in the medium term for the company's reclamation activities and for the next generation of less environmentally sensitive chemicals.

By order of the board:



REM Stewart
Director

Banyard Road
Portbury West
Bristol
BS20 7XH

29 September 2014

Directors' Report

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

Results and dividends

The profit for the year, after taxation, amounted to £2,244,000 (2012: £3,694,000).

A dividend of £1,500,000 was paid during the year (2012: £3,100,000).

The directors do not recommend the payment of a final dividend (2012: £ nil).

Principal activity and review of the business

The principal activity of the business is the repackaging, distribution and reclamation of speciality gases and chemicals.

Principal risks and uncertainties

Legislative risks

Some of the products supplied by the company are environmentally sensitive. The principal risks and uncertainties facing the company are broadly as a result of changes in both UK and EU legislation designed to reduce or limit the adverse effects of these products on the environment. While the activities of the company are not considered to be damaging to the environment the directors make sure that the company is compliant with all regulations that affect the industry. In addition, the company is making substantial efforts in providing environmental services to the industry including recycling, reclamation and, where necessary, the safe destruction of old and waste refrigerant product. Our compliance to ODS EU regulations is carefully managed by the senior management team and we report annually on our activities handling ODS material, which is regulated by the EU directorate general.

Exposure to price, credit, liquidity and cash flow risk

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for that other party by failing to discharge an obligation. Company policies are aimed at minimising such losses and ensuring deferred terms are only granted to customers who demonstrate an appropriate payment history and satisfy credit worthiness procedures. Details of the company's debtors are given in note 14.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The company aims to mitigate liquidity risk by properly managing cash generation from its operations and applying cash collection targets. The company also manages liquidity risk by managing credit facilities and fixed term debt.

Cash flow risk

Cash flow risk is the risk of exposure to variability in cash flows that are attributable to a particular risk associated with a recognised asset or liability. The company manages this risk by preparing revolving three month forward cash flow forecasts.

Directors' Report *(continued)*

Directors of the company

The directors who served during the year, and subsequently, were as follows:

J Rutley

JP Masters

RO Buissinne

JL Ormerod

R Briere – resigned 26 June 2013

REM Stewart – appointed 03 March 2014

Political and charitable contributions

During the year the company made no political donations. Charitable contributions totalled £150 (2012: £1,266).

Disabled involvement

The company gives full consideration to applications for employment from disabled persons where the candidates' particular aptitudes and abilities are consistent with adequately meeting the requirements of the job. Opportunities are available to disabled employees for training, career development and promotion.

Employee involvement

The company operates a framework for employee information and consultation. During the year the policy of providing employees with information about the A-Gas group has been continued through monthly meetings. Employees participate directly in the success of the business through the company's profit sharing scheme.

The company makes extensive use of its intranet site, which it promotes with its employees to share information, and includes financial performance metrics and updates about the business.

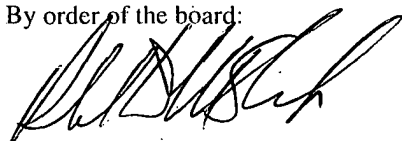
Disclosure of information to the auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board:



REM Stewart
Director

Banyard Road
Portbury West
Bristol
BS20 7XH

29 September 2014

Statement of directors' responsibilities in respect of the Strategic Report, the Directors' Report and the financial statements

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 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; and
- 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



100 Temple Street
Bristol
BS1 6AG
United Kingdom

Independent auditor's report to the members of A-Gas (UK) Limited

We have audited the financial statements of A-Gas UK Limited for the year ended 31 December 2013 set out on pages 9 to 20. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 set out on page 6, 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditscopeukprivate>

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 UK Generally Accepted Accounting Practice ; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

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

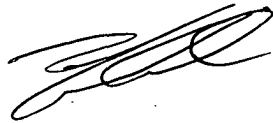
Independent auditor's report to the members of A-Gas (UK) Limited

(continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



James Ledward (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
100 Temple Street
Bristol
BS1 6AG

29 September 2014

Profit and Loss Account
for the year ended 31 December 2013

	<i>Note</i>	2013 £000	2012 £000
Turnover	2	17,113	17,842
Cost of sales		(10,434)	(10,049)
Gross profit		6,679	7,793
Administrative expenses		(3,727)	(3,655)
Exceptional income	3	-	984
Operating profit	4	2,952	5,122
Interest receivable and similar income	7	7	4
Interest payable and similar charges	8	(2)	(15)
Profit on ordinary activities before taxation		2,957	5,111
Taxation charge on ordinary activities	9	(713)	(1,417)
Profit for the financial year		2,244	3,694

All results derive from continuing activities.

There are no other recognised gains or losses attributable to the shareholders of the company other than as stated above and therefore no separate Statement of Total Recognised Gains and Losses has been presented.

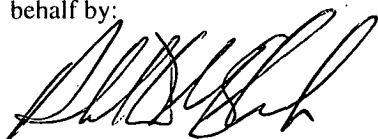
The notes on pages 11 to 20 from an integral part of these financial statements.

Balance Sheet
at 31 December 2013

	<i>Note</i>	£000	2013 £000	£000	2012 £000
Fixed assets					
Intangible assets	11		415		467
Tangible assets	12		7,176		6,632
			<hr/>		<hr/>
			7,591		7,099
Current assets					
Stocks	13	1,863		1,142	
Debtors	14	5,389		5,288	
Cash at bank and in hand		212		1,268	
			<hr/>	<hr/>	
		7,464		7,698	
Creditors: amounts falling due within one year	15	(5,604)		(6,176)	
			<hr/>	<hr/>	
Net current assets			1,860		1,522
			<hr/>		<hr/>
Total assets less current liabilities			9,451		8,621
			<hr/>		<hr/>
Provisions for liabilities	17		(187)		(101)
			<hr/>		<hr/>
Net assets			9,264		8,520
			<hr/>		<hr/>
Capital and reserves					
Share capital	18		50		50
Retained earnings	19		9,214		8,470
			<hr/>		<hr/>
Equity shareholder's funds	19		9,264		8,520
			<hr/>		<hr/>

The notes on pages 11 to 20 from an integral part of these financial statements.

These financial statements were approved by the board of directors on 29 September 2014 and were signed on its behalf by:



REM Stewart
Director

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements, except as noted below.

Basis of preparation

The financial statements are prepared under the historical cost convention and in accordance with applicable Accounting Standards.

The company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the company as an individual undertaking and not about its group.

As the company is a wholly owned subsidiary of A-Gas (Orb) Limited, the company has taken advantage of the exemption contained in FRS8 and has therefore not disclosed transactions or balances with other wholly owned subsidiaries which form part of the group (or investees of the group qualifying as related parties). The consolidated financial statements of A-Gas (Orb) Limited within which this company is included, can be obtained from the address given in note 23.

Cash flow statement

The company has taken advantage of the exemption available under FRS1 from preparing a cash flow statement as it is a wholly owned subsidiary of a company preparing consolidated financial statements which includes a cash flow statement.

Going concern

The directors have prepared cash flow forecasts and have concluded that the company should be able to operate within the level of its current facilities. In preparing those forecasts, the directors have taken into account various risks and uncertainties and they have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Goodwill

Positive goodwill arising on acquisitions is capitalised, classified as an asset on the balance sheet and amortised on a straight-line basis over its useful economic life up to a presumed maximum of 20 years. It is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

Depreciation and amortisation

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value based on prices prevailing at the date of acquisition, of each asset evenly over its expected useful life, as follows:

Leasehold improvements	-	10%
Plant and equipment	-	10%
Office and vehicles	-	33%

Stocks

With the exception of reclaimed product, all stocks are stated at the lower of cost and net realisable value. Cost includes all costs incurred in bringing each product to its present location as follows:

Notes *(continued)*

1 Accounting policies *(continued)*

Stocks *(continued)*

Raw materials, consumables and goods for resale – purchase cost on a first-in, first-out basis

Reclaimed stock is valued at the market price at the date it was reclaimed to Air-Conditioning and Refrigeration Institute (ARI) standards.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS19.

Pensions

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

Leasing and hire purchase commitments

Assets held under finance leases and hire purchase contracts (where substantially all the risks and rewards of ownership have passed to the company) are capitalised in the balance sheet and are depreciated over the assets' useful lives. The capital element of future obligations under leases and hire purchase contracts are included as liabilities in the balance sheet.

The interest elements of the hire purchase contracts are charged to the profit and loss account in equal instalments over the period of the leases. Rentals payable under operating leases are charged in the profit and loss account on a straight-line basis over the lease term.

Cylinder deposits and charges

Where applicable, deposits are required on delivery to customers of gases and chemicals in returnable cylinders. Such deposits are refundable on return of cylinders in good condition within specific terms and conditions.

Cylinders are included in fixed assets at cost. Cylinders not returned by customers are treated as disposals of fixed assets and the deposits received are treated as the proceeds of disposal.

Where deposits are not required on delivery, a charge is usually made in the event that the cylinder is not returned within an agreed period. In this event, the charge is released to the credit of the profit and loss account over the remaining expected useful life of the cylinder, or in full on return of the cylinder.

Notes (continued)

1 Accounting policies (continued)

Dividends on shares presented within shareholder's funds

Dividends are only recognised as a liability at that date to the extent that they are declared prior to the year end. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements.

2 Turnover

Turnover represents the sale of gases, chemicals and services which fall within the company's ordinary activities, net of value added tax.

The directors have not included the segmental analysis required under Companies Act 2006 and Statement of Standard Accounting Practice (SSAP25) as they are of the opinion that this would be seriously prejudicial to the interests of the company.

3 Exceptional income

Exceptional income of £Nil (2012: £984,000) was recognised during the year. In the prior year, an exercise was undertaken in relation to cylinder deposits. Historically, when customers forfeited their cylinder deposit by not returning the cylinder, these deposits were amortised into income over a ten year period which was equal to the useful economic life of a cylinder.

In 2012, an exercise was undertaken to estimate the amortisation required based on the age of each cylinder. This was made possible by the implementation of a new system that allows the tracking of each individual cylinder within the fleet. As a result of this exercise £984,000 of deferred income was credited to income in 2012.

4 Operating profit

Profit on ordinary activities before taxation is stated after charging/(crediting):

	2013 £000	2012 £000
Auditor's remuneration – audit of these financial statements	29	36
Depreciation – owned assets	1,635	1,032
Amortisation	52	56
Land and buildings – operating leases	233	63
Profit on disposal of assets	(15)	(7)
	<hr/>	<hr/>

5 Directors' emoluments

	2013 £000	2012 £000
Emoluments	193	305
Pension contributions paid to money purchase schemes	9	13
	<hr/>	<hr/>
	202	318
	<hr/>	<hr/>

The number of directors for whom the company paid pension contributions during the year was two (2012: three).

Notes (continued)

5 Directors' emoluments (continued)

JP Masters and J Rutley receive remuneration from A-Gas (Orb) Limited, the company's ultimate parent company and RO Buissinne from A-Gas (South Africa) Limited, and their emoluments are disclosed in the group's statutory accounts.

The emoluments of the highest paid director were £109,000 (2012: £142,000). The pension contributions of the highest paid director were £5,000 (2012: £6,000).

6 Staff numbers and costs

	2013 £000	2012 £000
Wages and salaries	1,733	1,583
Payroll taxes	173	158
Pension contributions	70	68
	<u>1,976</u>	<u>1,809</u>

The average monthly number of employees during the year (including directors), analysed by category, was as follows:

	2013 No.	2012 No.
Sales and administration	17	19
Production and technical	39	34
	<u>56</u>	<u>53</u>

7 Interest receivable and similar income

	2013 £000	2012 £000
Exchange gain	7	4

8 Interest payable and similar charges

	2013 £000	2012 £000
Exchange loss	2	15

Notes (continued)

9 Taxation

(a) Tax on profit on ordinary activities

	2013 £000	2012 £000
<i>Current tax</i>		
UK corporation tax on profits of the year	575	1,175
Adjustment to tax charge in respect of previous periods	52	164
	<u>627</u>	<u>1,339</u>
Deferred taxation (note 17)	86	78
	<u>713</u>	<u>1,417</u>
Taxation on ordinary activities		

(b) Factors affecting the current tax charge

The tax assessed on the profit on ordinary activities for the period is lower (2012: higher) than the average standard rate of tax in the UK for the year of 23.25% (2012: 24.5%). The differences are reconciled below:

	2013 £000	2012 £000
Profit on ordinary activities before tax	2,957	5,111
	<u>687</u>	<u>1,251</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 23.25 % (2012: 24.5%)		
<i>Effects of:</i>		
Expenses not deductible for tax purposes	7	2
Income not taxable for tax purposes	-	-
Difference between capital allowances and depreciation	(84)	(90)
Group relief received for nil consideration	-	-
Adjustment to tax charge in respect of previous periods	52	164
Other timing differences	(35)	12
	<u>627</u>	<u>1,339</u>
Current tax charge for year (see above)		

Reductions in the UK corporation tax rate from 26% to 24% (effective from 1 April 2012) and to 23% (effective 1 April 2013) were substantively enacted on 26 March 2012 and 3 July 2012 respectively. Further reductions to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. This will reduce the company's future current tax charge accordingly.

The deferred tax liability at 31 December 2013 has been calculated based on the rate of 20% substantively enacted at the balance sheet date.

Notes (continued)

10 Dividends

	2013 £000	2012 £000
Ordinary dividend paid	1,500	3,100

11 Intangible fixed assets

	Goodwill £000	Software £000	Total £000
Cost			
At 1 January 2013	517	171	688
Additions	-	-	-
At 31 December 2013	517	171	688
Amortisation			
At 1 January 2013	99	122	221
Provided during the year	26	26	52
At 31 December 2013	125	148	273
Net book value			
At 31 December 2013	392	23	415
At 31 December 2012	418	49	467

The goodwill cost arose on the acquisition of the trade and assets of Beer Gas Supply Limited. Beer Gas Supply Limited is registered in England and Wales.

Software assets are capitalised costs in relation to software development and are being amortised evenly over their presumed useful life of three years.

Notes (continued)

12 Tangible fixed assets

	Leasehold improvements £000	Plant and equipment £000	Office and vehicles £000	Total £000
Cost				
At 1 January 2013	347	13,109	462	13,918
Additions	20	2,133	39	2,192
Disposals	-	(28)	(16)	(44)
At 31 December 2013	367	15,214	485	16,066
Depreciation				
At 1 January 2013	237	6,773	276	7,286
Provided during the year	19	1,507	109	1,635
Disposals	-	(15)	(16)	(31)
At 31 December 2013	256	8,265	369	8,890
Net book value				
At 31 December 2013	111	6,949	116	7,176
At 31 December 2012	110	6,336	186	6,632

The net book value of tangible fixed assets includes £nil (2012: £nil) in respect of items held under finance leases.

13 Stocks

	2013 £000	2012 £000
Chemicals and gases in storage	1,863	1,142

14 Debtors

	2013 £000	2012 £000
Trade debtors	3,795	3,686
Amounts due from group undertakings	1,336	1,282
Prepayments	214	320
Corporation tax	44	-
	5,389	5,288

Loans due from group undertakings are unsecured and have no fixed repayment terms.

Registered number: 2752249

Notes (continued)

15 Creditors: amounts falling due within one year

	2013 £000	2012 £000
Trade creditors	1,053	1,295
Bank loans and overdrafts	185	172
Amounts due to group undertakings	1,567	583
Corporation tax	-	1,119
VAT and payroll taxes	229	299
Cylinder charges	2,002	2,131
Other creditors	114	-
Accruals	454	577
	<u>5,604</u>	<u>6,176</u>

The current group revolving credit facility is £8,200,000 (2012: £8,200,000). Any overdraft is secured by charges on the company's and other group companies' assets.

16 Operating leases

Annual commitments under non-cancellable operating leases are as follows:

	Land and buildings	
	2013 £000	2012 £000
Amounts payable:		
Within one year	168	-
In the second to fifth years inclusive	110	100
Over five years	-	-
	<u>278</u>	<u>100</u>

Notes (continued)

17 Deferred taxation

Deferred taxation has been fully provided in the financial statements as follows:

	2013 £000	2012 £000
Deferred capital allowances	195	138
Other timing differences	(8)	(37)
Total deferred taxation	187	101

The movement in the amounts provided were as follows:

	2013 £000	2012 £000
At start of year	101	23
Charge for the year	86	78
At end of year	187	101

Reductions in the UK corporation tax rate from 26% to 24% (effective from 1 April 2012) and to 23% (effective 1 April 2013) were substantively enacted on 26 March 2012 and 3 July 2012 respectively. Further reductions to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. This will reduce the company's future current tax charge accordingly.

The deferred tax liability at 31 December 2013 has been calculated based on the rate of 20% substantively enacted at the balance sheet date.

18 Share capital

	2013 £000	2012 £000
Allotted, called up and fully paid		
50,000 (2012: 50,000) ordinary shares of £1 each	50	50

Notes (continued)

19 Reconciliation of movement in shareholder's funds

	Share capital	Profit and loss account	Total shareholder's funds
	£000	£000	£000
At 1 January 2013	50	8,470	8,520
Profit for the year	-	2,244	2,244
Dividends paid in the year	-	(1,500)	(1,500)
At 31 December 2013	50	9,214	9,264

20 Pension commitments

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the fund and amounted to £70,000 (2012: £68,000).

No contributions (2012: £Nil) were payable to the scheme and are included in creditors.

The company had no outstanding or prepaid contributions at the end of either year.

The pension contributions of group directors are disclosed in the statutory accounts of the ultimate parent company, A-Gas (Orb) Limited.

21 Contingent liabilities

The company, together with other group subsidiaries, has fixed and floating charges in respect of loans and bank borrowings of its ultimate parent undertaking, A-Gas (Orb) Limited, under a charge dated 13 April 2013. The total amount of loans guaranteed at 31 December 2013 was £137,250,000 (2012: £139,051,655).

The company together with other group subsidiaries has guaranteed the group revolving credit facility to the extent of £8,200,000 (2012: £8,200,000).

22 Related party transactions

The company provides payroll services to another group company, A-Zone Technologies Limited the cost of which (including the payroll costs and related processing costs) are recharged to the company. The recharge in the period was £166,776 (2012: £68,955).

23 Parent undertaking and controlling party

The ultimate parent undertaking and controlling party at 31 December 2013 was A-Gas (Orb) Limited, which is registered in England and Wales. A-Gas (Orb) Limited has included the company in its consolidated financial statements, copies of which are available from its registered office, AGAS Banyard Road, Portbury, Bristol, Somerset, England, BS20 7XH.