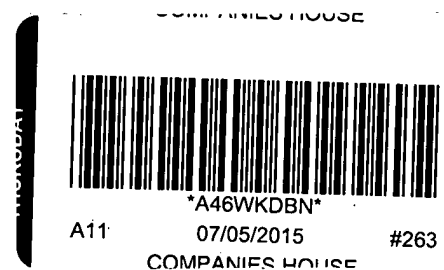


Registered number  
3336919

AVTPump Limited (formerly AESPUMP Limited)

Annual Report

for the year ended 31 December 2014



**AVTPump Limited**  
**Annual Report**  
**for the year ended 31 December 2014**  
**Contents**

	<b>Page</b>
Directors and advisers	1
Strategic report	2
Directors' report	3
Independent auditors' report	5
Profit and loss account	7
Balance sheet	8
Statement of accounting policies	9
Notes to the financial statements	11

## **AVTPump Limited**

**Registered number 3336919**

### **Directors and advisers**

#### **Directors**

C J Rea OBE DL

S M Shaw

J H Chappell

J H Stewart

#### **Registered office**

Global Technology Centre

Mill Close

Bradmarsh Business Park

Rotherham

S60 1BZ

#### **Independent auditors**

PricewaterhouseCoopers LLP

St Pauls Place

121 Norfolk Street

Sheffield

S1 2ET

#### **Bankers**

HSBC Bank plc

4th Floor, City Point

29 King Street

Leeds

LS1 2HL

**AVTPump Limited**  
**Strategic Report**  
**for the year ended 31 December 2014**

The directors present their strategic report on the company for the year ended 31 December 2014.

**Principal activities**

The principal activity of the company during the year was the sale and service of fluid pumps and related equipment.

**Our purpose**

The company's purpose is to put customers at the heart of our business through providing exceptional customer service. Our customers have supported the expansion of our services, processes and the globalisation of our business.

**Review of business and future developments**

The directors are disappointed with the result for the year, which showed a decrease in UK sales to £6.0m (2013: £7.4m) and a decrease in profit before tax to £30,000 (2013: £563,000). The decrease in sales follows a year of transition and re-alignment as part of the AVT Reliability brand, the benefits of which will begin to be felt in 2015.

During 2015 the company has begun developing its strategy to extend its service offering to provide a fully integrated reliability offering in conjunction with its sister company AV Technology Limited.

**Consolidated results**

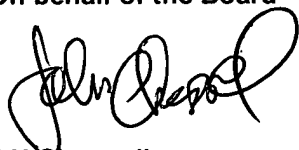
The company is exempt from the requirement to prepare consolidated group financial statements at the year end date. It is included in the consolidated financial statements of the ultimate parent undertaking, AES Engineering Limited.

On 12 February 2015 the company changed its name from AESPUMP Limited to AVTPump Limited.

**Principal risks and uncertainties and key performance indicators**

The directors of AES Engineering Limited, the ultimate parent company, manage the group's risks and operations at a group level, rather than at an individual business unit level. For this reason, the company's directors believe that discussion of the group's risks and analysis using key performance indicators for the company is not necessary or appropriate for an understanding of the development, performance or position of the company's business. The principal risks and uncertainties of the group, which includes those of the company, and the development, performance and position of the company, are discussed in the Director's report of AES Engineering Limited's Annual Report which does not form part of this report.

**On behalf of the Board**



**J H Chappell**  
**Director**

27 April 2015

**AVTPump Limited**  
**Directors' Report**  
**for the year ended 31 December 2014**

The directors present their annual report and the audited financial statements of the company for the year ended 31 December 2014.

**Directors**

The directors of the company who were in office during the year and up to the date of signing the financial statements were:

C J Rea OBE DL	
S M Shaw	
J H Chappell	(Appointed 17 June 2014)
J H Stewart	(Appointed 1 August 2014)
J C Caldwell	(Resigned 1 August 2014)
I G Wallace	(Resigned 16 June 2014)

**Results and dividends**

The profit for the financial year is set out on page 7.

No dividends were paid during the year (2013: £nil).

**Employees**

Communication is crucial to helping employees engage with the business. We communicate through team briefings, presentations, intranet and newsletters. The Company has well-established forums for exchanging information and best practise, as well as discussing business issues and including efficiency initiatives, training and development and environment and health and safety issues. All employees contribute to and understand the Company's business culture - particularly the needs of the customers it serves. The Company has an employee survey annually with a high participation rate. Results are measured and action plans are created to address the most significant issues.

The Company is committed to promoting policies which are designed to ensure that employees and those who seek to work for the Company are treated equally regardless of sex, marital status, sexual orientation, creed, colour, race or ethnic origin.

The Company gives full and fair consideration to applications for employment by people who are disabled, to continue wherever possible the development of staff who become disabled and to provide equal opportunities for the career development of disabled employees.

The Company recognises that training for all levels of staff is vital to performance and it also provides a mechanism for increasing morale and improving staff retention. This ensures that knowledge of the Groups product offering is not lost, thereby enhancing customer service.

**Directors' indemnities**

The group maintains liability insurance for its directors and officers. The group has also provided an indemnity for its directors, which is a qualifying third party indemnity provision for the purposes of the Companies Act 2006 and was in force during the financial year and at the date of approval of these financial statements.

**AVTPump Limited**  
**Directors' Report**  
**for the year ended 31 December 2014**

**Statement of directors' responsibilities**

The directors are responsible for preparing the strategic report, 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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

So far as each director is aware, there is no relevant audit information of which the company's auditors are unaware. Relevant information is defined as information needed by the company's auditors in connection with preparing their report. Each director has taken all the steps that ought to be taken to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**On behalf of the Board**



**J H Chappell**  
**Director**

27 April 2015

**AVTPump Limited**  
**Independent auditors' report**  
**to the members of AVTPump Limited**

**Report on the financial statements**

**Our opinion**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2014 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.

This opinion is to be read in the context of what we say in the remainder of this report.

**What we have audited**

The financial statements, which are prepared by AVTPump Limited, comprise:

- Balance sheet as at 31 December 2014;
- Profit and loss account for the year then ended;
- the Statement of accounting policies; and
- the notes to the financial statements, which include other explanatory information.

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).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

**What an audit of financial statements involves**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). 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 Annual 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.

**AVTPump Limited**  
**Independent auditors' report**  
**to the members of AVTPump Limited**

**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.

**Other Matters on which we are required to report by exception**

**Adequacy of accounting records and information and explanations received**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

**Directors' remuneration**

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

**Responsibilities for the financial statements and the audit**

**Our responsibilities and those of the directors**

As explained more fully in the Statement of directors' responsibilities set out on page 4, 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 ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.



**Andy Ward**  
**(Senior Statutory Auditor)**

For and on behalf of  
PricewaterhouseCoopers LLP  
Chartered Accountants  
Sheffield  
27 April 2015

**AVTPump Limited**  
**Profit and loss account**  
**for the year ended 31 December 2014**

	Note	2014 £	2013 £
<b>Turnover</b>	1	<b>6,035,415</b>	7,352,853
Change in finished goods		<b>16,685</b>	(85,285)
Other operating Income		<b>20,000</b>	216,967
		<b>6,072,100</b>	7,484,535
Raw materials and consumables		<b>(3,776,060)</b>	(4,426,814)
Staff costs	4	<b>(1,494,827)</b>	(1,587,305)
Depreciation and amortisation		<b>(119,061)</b>	(139,760)
Other operating charges		<b>(642,476)</b>	(738,133)
		<b>(6,032,424)</b>	(6,892,012)
<b>Operating profit</b>	3	<b>39,676</b>	592,523
Interest payable and similar charges	2	<b>(9,847)</b>	(29,660)
<b>Profit on ordinary activities before taxation</b>		<b>29,829</b>	562,863
Tax on profit on ordinary activities	6	<b>(9,270)</b>	(138,299)
<b>Profit for the financial year</b>	16	<b>20,559</b>	424,564

All items dealt with in arriving at operating profit above relate to continuing operations.

The company has no recognised gains and losses other than those included in the results above, and therefore no separate statement of recognised gains and losses has been presented.

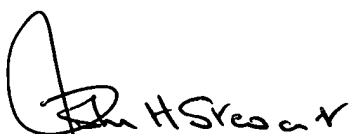
There is no material difference between the profit on ordinary activities before taxation and the profit for the financial year stated above and their historical cost equivalents.

**AVTPump Limited**  
**Balance Sheet**  
**as at 31 December 2014**

Registered number: 3336919

	Note	2014 £	2013 £
<b>Fixed assets</b>			
Intangible assets	7	271,736	303,657
Tangible assets	8	245,896	300,555
Investments	9	967,024	967,024
		<b>1,484,656</b>	<b>1,571,236</b>
<b>Current assets</b>			
Stock	10	398,552	444,433
Debtors	11	1,694,350	1,750,169
Cash at bank and in hand		252,607	192,310
		<b>2,345,509</b>	<b>2,386,912</b>
Creditors: amounts falling due within one year	12	(1,005,252)	(856,027)
<b>Net current assets</b>		<b>1,340,257</b>	<b>1,530,885</b>
<b>Total assets less current liabilities</b>		<b>2,824,913</b>	<b>3,102,121</b>
Creditors: amounts falling due after more than one year	13	(795,736)	(1,093,503)
<b>Net assets</b>		<b>2,029,177</b>	<b>2,008,618</b>
<b>Capital and reserves</b>			
Called up share capital	15	20,000	20,000
Profit and loss account	16	2,009,177	1,988,618
<b>Total shareholder's funds</b>	17	<b>2,029,177</b>	<b>2,008,618</b>

The financial statements on pages 7 to 17 were approved by the board of directors on 27 April 2015 and were signed on its behalf by:

  
**J H Stewart**  
**Director**

## **AVTPump Limited**

### **Statement of accounting policies**

#### **Basis of preparation of accounts**

The financial statements have been prepared on a going concern basis in accordance with the Companies Act 2006, applicable accounting standards in the United Kingdom and under the historical cost convention. There were no material departures from those standards. A summary of the main accounting policies, which have been applied consistently, is set out below.

The company is exempt from the requirement of section 400 of the Companies Act 2006 to prepare consolidated group accounts as at the year end date it is included in the consolidated financial statements of the ultimate parent undertaking, AES Engineering Limited.

#### **Cash flow statement**

The company has taken advantage of the exemption in Financial Reporting Standard Number 1 (Revised 1996) from producing a cash flow statement as it is a wholly-owned subsidiary undertaking of AES Engineering Limited.

#### **Turnover**

Turnover represents the amounts invoiced to customers net of value added tax. Under normal circumstances, turnover from product sales is recognised upon delivery to the customer or, in the case of goods supplied ex-works, generally upon collection by the customer or their agent. Where consignment stock arrangements are in place, turnover is recognised upon notification by the customer that the product has been withdrawn from consignment. Turnover arising from the service of pumps is recognised on return of the pump to the customer.

#### **Tangible fixed assets and depreciation**

The cost of tangible fixed assets is their purchase cost, together with any incidental expenses of acquisition.

Depreciation is calculated so as to write off the cost of tangible fixed assets, less their estimated residual value, on a straight line basis over their estimated economic lives. The depreciation rates used for this purpose are:

Plant, fixtures and equipment	10% - 25% straight line
Motor vehicles	25% straight line

#### **Intangible fixed assets**

Goodwill arising on the transfer of trade and assets is calculated based on the excess of the carrying investment, immediately prior to the transfer, over the value of trade and assets transferred. Goodwill is amortised on the straight line basis over the estimated useful economic life of the assets, not exceeding 20 years. The carrying value of goodwill is evaluated in each financial year to determine if there has been an impairment in value which would result in the inability to recover the carrying amount. When it is determined that the carrying value exceeds the recoverable amount, the excess is written off to the profit and loss account.

#### **Investments**

Investments in subsidiary undertakings are recorded at cost plus incidental expenses less any provision for impairment. Impairment reviews are performed by the directors when there has been an indication of potential impact.

#### **Stock and work in progress**

Stock and work in progress are stated at the lower of cost and net realisable value. In respect of finished goods and goods for resale, cost includes direct materials, labour and manufacturing overheads incurred in bringing each product to its present location and condition. Net realisable value is based on estimated selling price less further costs to completion and selling costs. Provision is made for slow moving and obsolete stock.

## **AVTPump Limited**

### **Statement of accounting policies – continued**

#### **Deferred taxation**

Deferred tax is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Deferred tax is not provided on timing differences arising from revaluation of fixed assets where there are no commitments to sell the assets. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax and liabilities are not discounted.

#### **Pension costs**

The company operates defined contribution pension schemes. The charge in the profit and loss account for pension costs is the amount of the company's contributions payable to the pension schemes in the year.

#### **Foreign currency**

Transactions denominated in foreign currencies are translated into the local currency using the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in a foreign currency have been translated into the local currency at the year end rates. Where there are related or matched forward contracts in respect of trading transactions, the rates of exchange specified in those contracts are used. Realised foreign exchange differences are taken to the profit and loss account.

#### **Leasing**

Assets acquired under finance leases or hire purchase contracts are capitalised and depreciated in the same manner as other tangible fixed assets. The related obligations, net of future finance charges, are included in creditors.

Operating lease rentals are charged to the profit and loss account as they are incurred.

#### **Related party transactions**

The company has taken advantage of the exemption under paragraph 3(c) from the provisions of FRS8, 'Related Party Disclosures', on the grounds that it is a wholly owned subsidiary of a group headed by AES Engineering Limited, whose financial statements are publicly available.

## AVTPump Limited

### Notes to the financial statements for the year ended 31 December 2014

#### 1 Turnover

The company's turnover and operating profit relate entirely to its principal activity.

As permitted by the Companies Act and SSAP 25 the directors have not disclosed segmental information as they consider it would be seriously prejudicial to the company's interests.

2 Net interest payable and similar charges	2014 £	2013 £
Interest payable to other group companies	20,064	28,143
Interest payable on hire purchase obligations and finance leases	-	1,517
Interest receivable from other group companies	(10,217)	-
	9,847	29,660

3 Operating profit	2014 £	2013 £
Operating profit is stated after charging/(crediting):		
Operating leases - property	139,103	135,440
Depreciation of owned fixed assets	87,140	107,738
Amortisation of goodwill	31,921	32,022
Auditors' remuneration including expenses for audit services	13,800	15,400
Profit on disposal of fixed assets	(6,624)	(10,884)

#### 4 Staff costs

The average monthly number of persons (including executive directors) employed by the company during the period was:

By activity	2014	2013
Sales engineers	3	4
Management and administration	10	15
Production and stores	22	24
	35	43

Staff costs for the above persons were:	2014 £	2013 £
Wages and salaries	1,334,425	1,419,572
Social security costs	151,470	150,214
Other pension costs	8,932	17,519
	1,494,827	1,587,305

## AVTPump Limited

### Notes to the financial statements for the year ended 31 December 2014

5 Directors' emoluments	2014 £	2013 £
Emoluments including benefits in kind	69,609	151,137
Company contributions to money purchase pension scheme	3,243	6,932
	<b>72,852</b>	<b>158,069</b>

Number of directors in company pension schemes:	2014 Number	2013 Number
Money purchase scheme	-	1

Apart from Ian Wallace, the directors received no emoluments for their services to the company.

6 Tax on profit on ordinary activities	2014 £	2013 £
Total current tax	18,280	145,901
Adjustments in respect of previous periods	(5,471)	-
Deferred tax: origination and reversal of timing differences	(3,539)	(7,602)
<b>Tax on profit on ordinary activities</b>	<b>9,270</b>	<b>138,299</b>

The tax charged on the profit for the year is higher (2013: higher) than the standard rate of corporation tax in the UK. The difference is explained below:

	2014 £	2013 £
<b>Profit on ordinary activities before tax</b>	<b>29,829</b>	<b>562,863</b>
Standard rate of corporation tax in the UK	21.50%	23.25%
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK	6,413	130,866
Effects of:		
Expenses not deductible for tax purposes	(923)	(2,531)
Capital allowances and other timing differences	12,790	17,566
Adjustments in respect of previous periods	(5,471)	-
<b>Current tax charge for the year</b>	<b>12,809</b>	<b>145,901</b>

During the year the standard rate of UK corporation tax rate reduced from 23% to 21% on 1 April 2014. Further reductions to the UK corporation tax rates were substantively enacted as part of the Finance Bill 2014 on 2 July 2014. These reduced the main rate to 21% from 1 April 2015 and to 20% from 1 April 2016. The deferred tax assets and liabilities reflect these rates.

# AVTPump Limited

## Notes to the financial statements for the year ended 31 December 2014

### 7 Intangible assets

	Goodwill £
<b>Cost</b>	
At 1 January 2014	342,143
<b>At 31 December 2014</b>	<b>342,143</b>
<b>Amortisation</b>	
At 1 January 2014	38,486
Charge for the year	31,921
<b>At 31 December 2014</b>	<b>70,407</b>
<b>Net book value</b>	
<b>At 31 December 2014</b>	<b>271,736</b>
At 31 December 2013	303,657

### 8 Tangible assets

	Plant, fixtures and equipment £	Motor Vehicles £	Total £
<b>Cost</b>			
At 1 January 2014	466,393	373,528	839,921
Additions	32,554	17,995	50,549
Disposals	-	(71,045)	(71,045)
<b>At 31 December 2014</b>	<b>498,947</b>	<b>320,478</b>	<b>819,425</b>
<b>Accumulated depreciation</b>			
At 1 January 2014	338,180	201,186	539,366
Charge for the year	31,713	55,427	87,140
On disposals	-	(52,977)	(52,977)
<b>At 31 December 2014</b>	<b>369,893</b>	<b>203,636</b>	<b>573,529</b>
<b>Net book value</b>			
<b>At 31 December 2014</b>	<b>129,054</b>	<b>116,842</b>	<b>245,896</b>
At 31 December 2013	128,213	172,342	300,555

Net book value of fixed assets included above held under finance  
leases and hire purchase contracts

2014 £	2013 £
-	-

# AVTPump Limited

## Notes to the financial statements for the year ended 31 December 2014

### 9 Fixed asset investments

	2014 Subsidiary undertaking £
<b>Cost of shares</b>	
At 1 January 2014	967,024
Disposal	-
<b>At 31 December 2014</b>	<b>967,024</b>
<b>Net book amount</b>	
<b>At 31 December 2014</b>	<b>967,024</b>
At 31 December 2013	967,024

The assets and results of the subsidiary companies listed below are included within the consolidated financial statements of the ultimate parent undertaking.

The investments are all unlisted and relate to group companies shown in note 21. The material results and reserves of subsidiary undertakings are detailed below:

		2014 £	2013 £
AESPUMP BV	Aggregate Capital & Reserves	(636,510)	(283,478)
	Loss for the year	(384,324)	(497,251)
AESPUMP ApS	Aggregate Capital & Reserves	(234)	28,331
	(Loss)/ Profit for the year	(27,662)	11,601

10 Stock	2014 £	2013 £
Work in progress	70,477	99,473
Finished goods and goods for resale	328,075	344,960
	<b>398,552</b>	<b>444,433</b>

11 Debtors	2014 £	2013 £
Trade debtors	1,151,514	1,128,838
Amounts owed by group undertakings	481,244	564,107
Deferred tax asset (see note 14)	9,416	5,877
Other debtors	1,186	11,983
Prepayments and accrued income	50,990	39,364
	<b>1,694,350</b>	<b>1,750,169</b>

# AVTPump Limited

## Notes to the financial statements for the year ended 31 December 2014

12 Creditors - amounts falling due within one year	2014 £	2013 £
Trade creditors	576,350	439,207
Amounts owed to group undertakings	-	54,565
Corporate tax payable	2,320	25,317
Other taxes and social security	106,628	139,421
Accruals and deferred income	319,954	197,517
	<b>1,005,252</b>	<b>856,027</b>

13 Creditors - amounts falling due after more than one year	2014 £	2013 £
Amounts owed to group undertakings	795,736	1,093,503
	<b>795,736</b>	<b>1,093,503</b>

£568,229 (2013: £868,230) of the amounts owed to group undertakings represents a rolling loan from AES Engineering Limited, the ultimate parent undertaking. The interest chargeable on the loan is 2% above the 12 month sterling LIBOR rate.

### 14 Deferred taxation

The movement in the deferred tax provision during the year was:	2014 £	2013 £
Provision brought forward	(5,877)	1,725
Accelerated capital allowances	(3,539)	(7,602)
Provision carried forward (see note 11)	<b>(9,416)</b>	<b>(5,877)</b>

15 Called up share capital	Nominal Value	Number	2014 £	2013 £
<b>Authorised</b>				
Ordinary shares	£1 each	50,000	<b>50,000</b>	50,000
<b>Allotted and fully paid</b>				
Ordinary shares	£1 each	20,000	<b>20,000</b>	20,000

### 16 Profit and loss account

	£
At 1 January 2014	1,988,618
Profit for the financial year	20,559
<b>At 31 December 2014</b>	<b>2,009,177</b>

### 17 Reconciliation of movements in shareholders' funds

	2014 £	2013 £
Profit for the financial year	20,559	424,564
Net increase in shareholders' funds	20,559	424,564
Opening shareholders' funds	2,008,618	1,584,054
<b>Closing shareholders' funds</b>	<b>2,029,177</b>	<b>2,008,618</b>

## AVTPump Limited

### Notes to the financial statements for the year ended 31 December 2014

#### 18 Leasing commitments

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

Land and buildings	2014 £	2013 £
Within one year	39,016	-
Between two and five years	79,922	140,375
	118,938	140,375

#### 19 Commitments on behalf of group companies

The company operates defined contribution pension schemes. The assets of the schemes are held separately from those of the company in independently administered funds.

Outstanding contributions payable to the schemes by the company are included in the pension cost charge in respect of the year end amounted to £2,306 (2013: £2,865)

#### 20 Commitments on behalf of group companies

Along with the other group undertakings based in the United Kingdom, the company has given security in favour of HSBC Bank plc against group borrowings by way of an unlimited multilateral company guarantee to secure all liabilities of each other, and a debenture giving fixed and floating charges over assets of the company. At 31 December 2014 borrowings covered by these guarantees amounted to £12,363,647 (2013: £15,662,817).

In the opinion of the directors, no loss will arise in respect of this matter.

#### 21 Group companies

##### Subsidiary undertakings

Name	Nature of business	Country of incorporation	Class of share	% held
Pump Support Systems Limited	Dormant	England and Wales	Ordinary	100
Lease Pump Limited	Dormant	England and Wales	Ordinary	100
AVT Reliability BV (formerly AESPUMP BV)	Service of fluid pumps and related equipment	Netherlands	Ordinary	100
AESPUMP ApS	Service and sale of Vacuum pumps and related equipment	Denmark	Ordinary	100

## **AVTPump Limited**

### **Notes to the financial statements for the year ended 31 December 2014**

#### **22 Parent undertaking and ultimate controlling party**

The ultimate parent undertaking, and the largest and smallest group in which the results of the company are consolidated, is AES Engineering Limited, a company incorporated in Great Britain.

Copies of the consolidated financial statements of AES Engineering Limited can be obtained from the Registered Office at Global Technology Centre, Mill Close, Bradmarsh Business Park, Rotherham S60 1BZ, United Kingdom.

The ultimate controlling party is considered to be Mr C J Rea OBE DL, by virtue of his shareholding in AES Engineering Limited.