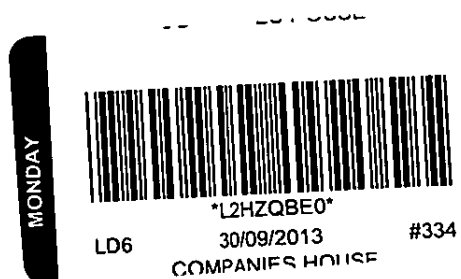


S A V United Kingdom Limited

FINANCIAL STATEMENTS

for the year ended

31 December 2012



Company Registration No 00513621

United Kingdom Limited

COMPANY INFORMATION

DIRECTORS	L C Fabricius J O Hansen
SECRETARY	L C Fabricius
COMPANY NUMBER	00513621
REGISTERED OFFICE	Scandia House Boundary Road Woking GU21 5BX
AUDITOR	Baker Tilly UK Audit LLP Third Floor, One London Square Cross Lanes Guildford Surrey GU1 1UN

S A V United Kingdom Limited

DIRECTORS' REPORT

For the year ended 31 December 2012

The directors present their report and financial statements for the year ended 31 December 2012

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was the supply of heating and plumbing systems

DIRECTORS

The following directors have held office since 1 January 2012

L C Fabricius

J O Hansen

AUDITOR

Baker Tilly UK Audit LLP has indicated its willingness to continue in office

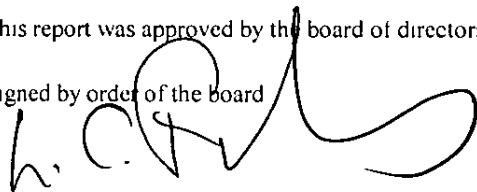
STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITOR

The directors who are in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board of directors on 15 July 2013

Signed by order of the board

A handwritten signature in black ink, appearing to be 'L C Fabricius', written over the text 'Signed by order of the board'.

L C Fabricius

Director

S A V United Kingdom Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

The directors are responsible for preparing 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 those financial statements, the directors are required to

- a select suitable accounting policies and then apply them consistently,
- b make judgements and accounting estimates that are reasonable and prudent,
- c 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.

S A V United Kingdom Limited

INDEPENDENT AUDITOR'S REPORT

To The Members Of S A V United Kingdom Limited

We have audited the financial statements on pages 4 to 15. 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 THE DIRECTORS AND THE AUDITOR

As more fully explained in the Directors' Responsibilities Statement set out on page 2, 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 (APB's) Ethical Standards for Auditors.

SCOPE OF THE AUDIT

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

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 2012 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 MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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 or 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, or
- the directors were not entitled to prepare the financial statements in accordance with the small company regime and take advantage of the small companies exemption in preparing the directors' report.

Baker Tilly UK Audit LLP

CHRISTOPHER HURREN FCA (Senior Statutory Auditor)
For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor
Third Floor, One London Square
Cross Lanes
Guildford
Surrey
United Kingdom
GU1 1UN
Date *26 Jun 2013*

S A V United Kingdom Limited

PROFIT AND LOSS ACCOUNT

For the year ended 31 December 2012

		2012	2011
	Notes	£	£
TURNOVER	1	7 754,897	5 670,985
Cost of sales		(4 907,957)	(3,930,827)
GROSS PROFIT		2,846,940	1,740,158
Other operating expenses (net)	2	(2,347,389)	(1,441,725)
OPERATING PROFIT		499,551	298,433
Investment income	3	4,845	1,516
Interest payable and similar charges	4	(65,302)	(53,207)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	5	439,094	246,742
Taxation	6	(29,166)	(49,802)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	15	409 928	196,940

Turnover and operating profit are derived from the company's continuing operations

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the Profit and Loss Account

S A V United Kingdom Limited

BALANCE SHEET

As at 31 December 2012

Company Registration No 00513621

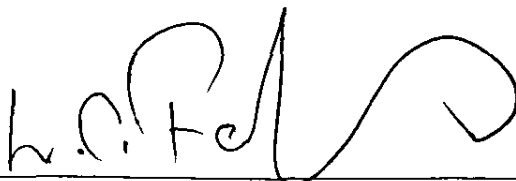
	Notes	2012 £	2011 £
FIXED ASSETS			
Tangible assets	7	1 692,205	1,660,410
Investments	8	102,886	102,886
		<u>1 795,091</u>	<u>1,763,296</u>
CURRENT ASSETS			
Stocks		823,670	463,127
Debtors	9	1,473,489	1,866,750
Cash at bank and in hand		141,933	639,771
		<u>2,439,092</u>	<u>2,969,648</u>
CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR	10	<u>(2,645,777)</u>	<u>(3,525,108)</u>
NET CURRENT LIABILITIES		<u>(206,685)</u>	<u>(555,460)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1 588,406</u>	<u>1,207,836</u>
CREDITORS AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	11	(745,732)	(772,875)
PROVISIONS FOR LIABILITIES	12	<u>(28,859)</u>	<u>(31,074)</u>
NET ASSETS		<u><u>813 815</u></u>	<u><u>403 887</u></u>
CAPITAL AND RESERVES			
Called up share capital	14	50,000	50,000
Other reserves	15	10,344	10,344
Profit and loss account	15	753,471	343,543
SHAREHOLDERS' FUNDS	16	<u><u>813,815</u></u>	<u><u>403,887</u></u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime

The financial statements on pages 4 to 15 were approved by the board of directors and authorised for issue on 15 July 2013 and are signed on its behalf by

DIRECTOR

L C Fabricius



S A V United Kingdom Limited

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements are prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards

The company has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a subsidiary undertaking where 90 percent or more of the voting rights are controlled within the group

The accounts present information about the company as an individual undertaking and not about its group, as the company has taken advantage of the exemption provided by section 400 of the Companies Act 2006 not to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, SAV Holding (UK) Limited, a company incorporated in England

GOING CONCERN

The directors have assessed the operations of the company's group and have determined that, despite the company's net current liabilities position, in view of the support of its United Kingdom group the company can expect to have sufficient working capital to meet its needs for at least 12 months from the date of approval of these financial statements. In view of this the directors consider it appropriate for the financial statements to be prepared on a going concern basis

RESEARCH AND DEVELOPMENT

Expenditure on research and development is written off against profits in the period in which it is incurred

TANGIBLE FIXED ASSETS

Tangible fixed assets other than freehold land are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows

Freehold property	over 50 years
Plant and machinery	over 3 to 5 years

Freehold land is not depreciated

INVESTMENTS

Fixed asset investments are stated at cost. Provision is made for any impairment in the value of fixed asset investments.

STOCK

Stock is valued at the lower of cost and net realisable value. Cost of finished goods and work in progress includes overheads appropriate to the stage of manufacture. Net realisable value is based upon estimated selling price less further costs expected to be incurred to completion and disposal. Provision is made for obsolete and slow-moving items

DEFERRED TAXATION

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Timing differences that result in a deferred tax asset are only recognised to the extent that they are reasonably believed to be recoverable. Deferred tax is measured on a non-discounted basis

S A V United Kingdom Limited

ACCOUNTING POLICIES (CONTINUED)

LEASED ASSETS AND OBLIGATIONS

Where assets are financed by leasing agreements that give rights approximating to ownership ("finance leases"), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as obligations to the lessor.

Lease payments are treated as consisting of capital and interest elements and the interest is charged to the profit and loss account in proportion to the remaining balance outstanding.

All leases are 'operating leases' and the annual rentals are charged to profit and loss on a straight line basis over the lease term.

PENSIONS CONTRIBUTIONS

The company operates a defined contribution scheme. The pension costs charged in the financial statements represent the contributions payable by the company during the year.

FOREIGN CURRENCY TRANSLATION

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

TURNOVER

Turnover represents the value, net of Value Added Tax, of goods sold and services provided to customers.

S A V United Kingdom Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2012

1 TURNOVER

In the year to 31 December 2012 1% (2011 - 2%) of the company's turnover was to markets outside the United Kingdom

2 OTHER OPERATING EXPENSES (NET)	2012 £	2011 £
Distribution costs	330,093	233,180
Administrative expenses	3,029,905	2,790,580
Other operating income	(1,012,609)	(1,582,035)
	<u>2,347,389</u>	<u>1,441,725</u>

3 INVESTMENT INCOME	2012 £	2011 £
Bank interest	<u>4,845</u>	<u>1,516</u>

4 INTEREST PAYABLE AND SIMILAR CHARGES	2012 £	2011 £
On bank loans and overdrafts	63,682	53,207
Hire purchase interest	<u>1,620</u>	<u>-</u>
	<u>65,302</u>	<u>53,207</u>

5 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2012 £	2011 £
Profit on ordinary activities before taxation is stated after charging		
Depreciation of tangible assets		
- Owned assets	87,138	75,150
- Leased assets	6,590	-
Operating lease rentals	-	53,532
Auditor's remuneration	13,000	13,000
Directors' emoluments	-	282,850
Profit on disposal of tangible assets	<u>4,123</u>	<u>-</u>

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 2 (2011 - 1)

S A V United Kingdom Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2012

6	TAXATION	2012	2011
		£	£
	UK CORPORATION TAX		
	Current tax on profit of the year	48,609	42,523
	Adjustment for prior years	(17,228)	(30,053)
	CURRENT TAX CHARGE	31,381	12,470
	DEFERRED TAX		
	Effects of changes in tax rates and laws	(1,255)	-
	Deferred tax charge current year	6,833	37,332
	Deferred tax adjustment for prior years	(7,793)	-
	TOTAL DEFERRED TAX (CREDIT)/CHARGE (NOTE 12)	(2,215)	37,332
	TAX ON PROFIT ON ORDINARY ACTIVITIES	29,166	49,802
	FACTORS AFFECTING THE TAX CHARGE FOR THE YEAR		
	Profit on ordinary activities before taxation	439,094	246,742
	Profit on ordinary activities before taxation multiplied by the standard rate of UK corporation tax of 24.00% (2011 - 26.00%)	105,383	64,153
	Effects of		
	Non deductible expenses/taxable income	16,787	33,405
	Capital allowances in excess of depreciation	2,109	(20,340)
	Tax losses utilised	(8,803)	(11,483)
	Research and development	(64,500)	(23,212)
	Small companies tax rate	(2,189)	-
	Adjustment for prior years	(17,228)	(30,053)
	Other tax adjustments	(178)	-
	CURRENT TAX CHARGE	31,381	12,470

S A V United Kingdom Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2012

7 TANGIBLE FIXED ASSETS

	<i>Land and buildings Freehold</i>	<i>Fixtures, fittings & equipment</i>	<i>Motor vehicles</i>	<i>Total</i>
	£	£	£	£
COST				
1 January 2012	1,556,897	469,729	82,958	2,109,584
Additions	-	60,773	66,127	126,900
Disposals	-	-	(48,679)	(48,679)
31 December 2012	1,556,897	530,502	100,406	2,187,805
DEPRECIATION				
1 January 2012	21,447	349,143	78,584	449,174
Charge in the year	23,138	59,595	10,995	93,728
Disposals	-	-	(47,302)	(47,302)
31 December 2012	44,585	408,738	42,277	495,600
NET BOOK VALUE				
31 December 2012	1,512,312	121,764	58,129	1,692,205
31 December 2011	1,535,450	120,586	4,374	1,660,410

Included above are assets held under finance leases or hire purchase contracts as follows

	<i>Motor vehicles</i>
	£
NET BOOK VALUES	
At 31 December 2012	32,948
DEPRECIATION CHARGE FOR THE YEAR	
At 31 December 2012	6,590

S A V United Kingdom Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2012

8 FIXED ASSET INVESTMENTS

	Shares in group undertakings and participating interests
	£
COST	
At 1 January 2012 & at 31 December 2012	102,886

The company holds more than 20% of the share capital of the following companies

COMPANY	Country of registration or incorporation	Shares held Class	%
SUBSIDIARY UNDERTAKINGS			
Cimberio (CIM) Limited	England	Ordinary	50.00

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows

	Capital and reserves 2012 £	Profit for the year 2012 £
Cimberio (CIM) Limited	560,615	-

9 DEBTORS

	2012 £	2011 £
Trade debtors	710,109	1,168,363
Amounts owed by group undertakings	462,180	515,390
Other debtors	301,200	182,997
	1,473,489	1,866,750

S A V United Kingdom Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2012

10 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR	2012 £	2011 £
Bank loans and overdrafts	48,434	46,596
Net obligations under hire purchase contracts	10,306	-
Trade creditors	1,009,068	998,527
Amounts owed to group undertakings	727,187	429,078
Corporation tax	48,609	42,523
Other taxation and social security	393,073	530,146
Other creditors	409,100	1,478,238
	<u>2,645,777</u>	<u>3,525,108</u>

Included within other creditors is an amount of £287,004 (2011 £1,242,696) which relates to invoice discounting and is secured by a charge over the company's book debts

11 CREDITORS AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	2012 £	2011 £
Bank loans	724,760	772,875
Net obligations under hire purchase contracts	20,972	-
	<u>745,732</u>	<u>772,875</u>

ANALYSIS OF LOANS

Wholly repayable within five years	773,194	819,471
	<u>773,194</u>	<u>819,471</u>
Included in current liabilities	(48,434)	(46,596)
	<u>724,760</u>	<u>772,875</u>

LOAN MATURITY ANALYSIS

In more than one year but not more than two years	50,196	48,290
In more than two years but not more than five years	161,811	155,667
In more than five years	512,753	568,918
	<u>724,760</u>	<u>772,875</u>

NET OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS

Repayable in more than one year but not more than two	10,306	-
Repayable in more than two years but not more than five	10,666	-
	<u>20,972</u>	<u>-</u>

Included within bank loans are two loans of £517,455 and £255,739 which are repayable by monthly instalments until May 2025 and June 2026 respectively. Interest is payable on these loans at 3% and 3.45% above the bank's base rate. Both loans are secured by way of a fixed charge over the assets of the company.

S A V United Kingdom Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2012

12 PROVISIONS FOR LIABILITIES

	Deferred tax liability £
Balance at 1 January 2012	31,074
Profit and loss account	(2,215)
Balance at 31 December 2012	<u>28,859</u>

THE DEFERRED TAX LIABILITY IS MADE UP AS FOLLOWS

	2012 £	2011 £
Capital allowances in excess of depreciation	<u>28 859</u>	<u>31,074</u>

13 PENSION COSTS

DEFINED CONTRIBUTION

	2012 £	2011 £
Contributions payable by the company for the year	<u>132,842</u>	<u>3,575</u>

14 SHARE CAPITAL

ALLOTTED, CALLED UP AND FULLY PAID
50,000 ordinary shares of £1 each

	2012 £	2011 £
	<u>50,000</u>	<u>50,000</u>

S A V United Kingdom Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2012

15 RESERVES

	Other reserves (see below)	Profit and loss account
	£	£
Balance at 1 January 2012	10 344	343,543
Profit for the year	-	409 928
	<u>10,344</u>	<u>753,471</u>
Balance at 31 December 2012	<u>10,344</u>	<u>753,471</u>

OTHER RESERVES

CAPITAL REDEMPTION RESERVE

Balance at 1 January 2012 & at 31 December 2012

10 344

16 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2012 £	2011 £
Profit for the financial year	409,928	196,940
Opening shareholders' funds	<u>403,887</u>	<u>206,947</u>
Closing shareholders' funds	<u>813 815</u>	<u>403 887</u>

17 TRANSACTIONS WITH DIRECTORS

Included in other debtors is an amount of £167,130 due from (2011 £51,030 due from) Mr L Fabricius, and an amount of £900 due from Mr J Hansen (2011 £57,110 due to and included within other creditors) Both are directors of the company. The maximum overdrawn positions of their loan accounts in the year were £223,865 and £901 (2011 £51,368 and £Nil) respectively

18 CONTROL

The company's ultimate and immediate parent company is SAV Holding (UK) Limited a company registered in England. SAV Holding (UK) Limited is controlled by its board of directors

S A V United Kingdom Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2012

19 RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemptions provided by Financial Reporting Standard Number 8 'Related Party Disclosures' and has not disclosed transactions entered into between two or more members of a group provided that any subsidiary undertaking which is party to the transaction is wholly owned by a member of that group

During the year the company recharged administration and distribution expenses of £Nil (2011 £251,198) to Cimberio (CIM) Limited ("CIM") its subsidiary undertaking. In addition, the company made purchases of £Nil (2011 £84,452) from CIM. At the year end the company owed £560,616 (2011 £282,187) to CIM.

During the year the company made purchases of £386,249 (2011 £nil) from Cimberio Valve s a Suisse and Giacomo Cimberio SPA companies related by virtue of common interests. At the year end the company owed these companies £144,141 (2011 £nil).

Administration and distribution expenses of £49,041 (2011 £26,346) were also recharged to FAR United Kingdom Limited ("FAR"), a fellow subsidiary. In addition, the company made purchases of £54,825 (2011 £83,035) from FAR. At the year end SAV United Kingdom Limited owed £165,224 (2011 £145,544) to FAR.

Administration and distribution expenses of £963,568 (2011 £1,298,926) were also recharged to E C Power GB Limited ("ECP"), a fellow subsidiary. In addition, the company made sales of £Nil (2011 £Nil) to ECP. At the year end SAV United Kingdom Limited was owed £462,180 (2011 £515,390) by ECP.

The company invoices customers on behalf of CIM, FAR and ECP. These are treated as sales and trade debtors within the related companies and therefore excluded from sales and trade debtors in the accounts of SAV United Kingdom Limited. At the year end, CIM, FAR and ECP had trade debtors of £Nil, £50,962 and £537,870 (2011 £562,381, £54,069 and £863,136) respectively relating to amounts invoiced on their behalf by the company.