

**Strategic Report, Report of the Directors and
Financial Statements
for the Year Ended 31 December 2014
for
S.A.V. United Kingdom Limited**

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S.A.V. United Kingdom Limited

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for the Year Ended 31 December 2014**

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S.A.V. United Kingdom Limited
Company Information
for the Year Ended 31 December 2014

DIRECTORS:

L C Fabricius
J O Hansen

SECRETARY:

L C Fabricius

REGISTERED OFFICE:

Scandia House
Boundary Road
Woking
Surrey
GU21 5BX

REGISTERED NUMBER:

00513621 (England and Wales)

AUDITOR:

Baker Tilly UK Audit LLP
Chartered Accountants
Third Floor, One London Square
Cross Lanes
Guildford
Surrey
GU1 1UN

S.A.V. United Kingdom Limited

Strategic Report for the Year Ended 31 December 2014

The directors submit their strategic report of SAV United Kingdom Limited (Company Registration No. 00513621) for the year ended 31 December 2014.

PRINCIPAL ACTIVITY

The principal activity of the company during the year was that of the supply of heating and plumbing systems and the components therein.

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

The company's turnover for the year was £12,713,414 (2013: £7,084,238), an increase of 79%. This increase has occurred due to a significant increase in sales of its core FlatStation product. The company accordingly reallocated resources back from its related company EC Power GB Limited in the year and so reports a profit of £1,463,327 (2013: £344,676).

The company's business has strengthened significantly with net assets increasing from £1,158,491 to £1,607,818. The company also has £330,000 of unutilised finance available to it within its invoice discounting facility.

The company expects to continue to grow in 2015, albeit at a reduced rate.

KEY PERFORMANCE INDICATORS

The company considers its Key Performance Indicators to be turnover and gross profit.

	2014 £	2013 £
Sales	12,713,414	7,084,238
Gross profit	4,350,927	2,471,576
Gross profit margin	34.2%	34.9%

PRINCIPAL RISKS AND UNCERTAINTIES

The directors review the principal risks and uncertainties facing the group on a regular basis and ensure systems and policies are continuously updated to reflect any changes, they work in an efficient manner to minimise those risks and help achieve the group's objectives.

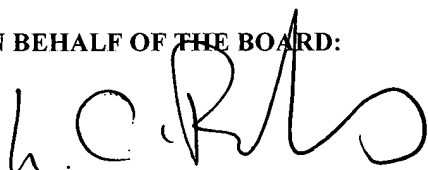
Credit Risk

The group has a significant and diverse customer base, ranging from large contractors to individual operations. This, combined with undertaking stringent credit checks and the implementation of further safeguards, where necessary, minimises credit risk.

Liquidity Risk

The group controls its cash flow by utilising commercial financing of its invoices, secured by its book debts. The directors monitor this on a daily basis to maintain the group's cash flow and manage the timing of the purchase of stock.

ON BEHALF OF THE BOARD:



.....
L C Fabricius - Director

Date: 8 July 2015

S.A.V. United Kingdom Limited

Report of the Directors for the Year Ended 31 December 2014

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

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the supply of heating and plumbing systems.

DIVIDENDS

An interim dividend of 20.28 per share was paid on 3 September 2014. The directors recommend that no final dividend be paid.

The total distribution of dividends for the year ended 31 December 2014 will be £1,014,000.

RESEARCH AND DEVELOPMENT

The group is engaged in ongoing research and development aimed improving and developing the next generation of Combined Heat & Power (CHP) units and improving the energy efficiency and monitoring systems of heating systems.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2014 to the date of this report.

L C Fabricius
J O Hansen

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, Report of the Directors 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 judgements and accounting estimates that are reasonable and prudent;
- 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) 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 in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

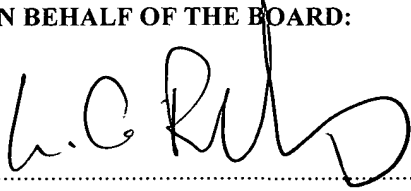
S.A.V. United Kingdom Limited

**Report of the Directors
for the Year Ended 31 December 2014**

AUDITOR

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

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'L.C. Fabricius', written over a dotted line.

L C Fabricius - Director

Date: 8 July 2015

**Report of the Independent Auditor to the Members of
S.A.V. United Kingdom Limited**

We have audited the financial statements of S.A.V. United Kingdom Limited for the year ended 31 December 2014 on pages six to sixteen. 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 auditors

As more fully explained in the Directors' Responsibilities Statement set out on page three, 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 of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at 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 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Report of the Directors 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 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.

Baker Tilly UK Audit LLP

CHRISTOPHER HURREN FCA (Senior Statutory Auditor)
for and on behalf of Baker Tilly UK Audit LLP
Chartered Accountants
Third Floor, One London Square
Cross Lanes
Guildford
Surrey
GU1 1UN

Date: *10 July 2015*

S.A.V. United Kingdom Limited

**Profit and Loss Account
for the Year Ended 31 December 2014**

	Notes	31/12/14 £	31/12/13 £
TURNOVER	2	12,713,414	7,084,238
Cost of sales		<u>(8,362,487)</u>	<u>(4,612,662)</u>
GROSS PROFIT		4,350,927	2,471,576
Distribution costs		(743,189)	(573,889)
Administrative expenses		<u>(4,066,645)</u>	<u>(3,016,076)</u>
		(458,907)	(1,118,389)
Other operating income		<u>2,221,037</u>	<u>1,539,427</u>
OPERATING PROFIT	5	1,762,130	421,038
Interest receivable and similar income		<u>12,456</u>	<u>10,707</u>
		1,774,586	431,745
Interest payable and similar charges	6	<u>(49,989)</u>	<u>(57,766)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,724,597	373,979
Tax on profit on ordinary activities	7	<u>(261,270)</u>	<u>(29,303)</u>
PROFIT FOR THE FINANCIAL YEAR		<u><u>1,463,327</u></u>	<u><u>344,676</u></u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year.

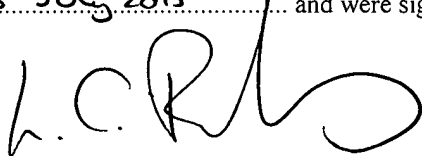
TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current year or previous year.

Balance Sheet
31 December 2014

	Notes	31/12/14 £	31/12/13 £
FIXED ASSETS			
Tangible assets	9	1,649,418	1,686,034
Investments	10	102,886	102,886
		<u>1,752,304</u>	<u>1,788,920</u>
CURRENT ASSETS			
Stocks	11	1,547,998	1,141,690
Debtors	12	3,577,904	1,886,280
Cash at bank and in hand		1,638,796	341,610
		<u>6,764,698</u>	<u>3,369,580</u>
CREDITORS			
Amounts falling due within one year	13	(6,204,964)	(3,247,359)
NET CURRENT ASSETS		<u>559,734</u>	<u>122,221</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,312,038</u>	<u>1,911,141</u>
CREDITORS			
Amounts falling due after more than one year	14	(659,407)	(712,547)
PROVISIONS FOR LIABILITIES	17	(44,813)	(40,103)
NET ASSETS		<u><u>1,607,818</u></u>	<u><u>1,158,491</u></u>
CAPITAL AND RESERVES			
Called up share capital	18	50,000	50,000
Capital redemption reserve	19	10,344	10,344
Profit and loss account	19	1,547,474	1,098,147
SHAREHOLDERS' FUNDS	23	<u><u>1,607,818</u></u>	<u><u>1,158,491</u></u>

The financial statements were authorised for issue and approved by the Board of Directors on 8 July 2015 and were signed on its behalf by:



.....
L C Fabricius - Director

S.A.V. United Kingdom Limited

Notes to the Financial Statements for the Year Ended 31 December 2014

1. 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 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.

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for sale of goods and/or services in the ordinary nature of the business. Turnover is shown net of Value Added Tax for goods sold and services provided to external customers.

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

Motor vehicles - over 4 years

Freehold land is not depreciated.

Stocks

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 tax

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.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

S.A.V. United Kingdom Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2014**

1. ACCOUNTING POLICIES - continued

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.

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

For defined contribution schemes the amount charged to the profit and loss account in respect of pension costs and other post retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

2. TURNOVER

In the year to 31 December 2014 2% (2013 - 2%) of the company's turnover was to markets outside the United Kingdom.

3. STAFF COSTS

	31/12/14	31/12/13
	£	£
Wages and salaries	2,500,139	1,888,949
Social security costs	297,747	221,740
Other pension costs	349,308	22,035
	<u>3,147,194</u>	<u>2,132,724</u>

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

	31/12/14	31/12/13
Management and administration	8	9
Sales and distribution	42	32
	<u>50</u>	<u>41</u>

4. DIRECTORS' EMOLUMENTS

	31/12/14	31/12/13
	£	£
Directors' remuneration	409,805	345,467
Directors' pension contributions to money purchase schemes	160,000	-
	<u>569,805</u>	<u>345,467</u>

S.A.V. United Kingdom Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2014**

4. DIRECTORS' EMOLUMENTS - continued

Information regarding the highest paid director is as follows:

	31/12/14	31/12/13
	£	£
Emoluments etc	205,391	173,027
Pension contributions to money purchase schemes	80,000	-
	<u>285,391</u>	<u>173,027</u>

5. OPERATING PROFIT

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

	31/12/14	31/12/13
	£	£
Depreciation - owned assets	91,429	90,084
Depreciation - assets on hire purchase contracts	24,479	15,864
Profit on disposal of fixed assets	-	(225)
Auditor's remuneration	11,000	13,000
	<u>126,908</u>	<u>118,723</u>

6. INTEREST PAYABLE AND SIMILAR CHARGES

	31/12/14	31/12/13
	£	£
Bank interest	46,519	54,468
Hire purchase	3,470	3,298
	<u>50,000</u>	<u>57,766</u>

7. TAXATION

Analysis of the tax charge

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

	31/12/14	31/12/13
	£	£
Current tax:		
UK corporation tax	256,560	10,299
Prior year under / (over) provision	-	7,760
Total current tax	<u>256,560</u>	<u>18,059</u>
Deferred tax	4,710	11,244
Tax on profit on ordinary activities	<u>261,270</u>	<u>29,303</u>

S.A.V. United Kingdom Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2014**

7. TAXATION - continued

Factors affecting the tax charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	31/12/14 £	31/12/13 £
Profit on ordinary activities before tax	<u>1,724,597</u>	<u>373,979</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 21.500% (2013 - 20%)	370,788	74,796
Effects of:		
Expenses not deductible for tax purposes	7,017	2,565
Capital allowances in excess of depreciation	-	(5,696)
Depreciation in excess of capital allowances	2,731	-
Adjustments to tax charge in respect of previous periods	-	7,760
Research and development	(123,895)	(62,217)
Other tax adjustments	(81)	851
Current tax charge	<u>256,560</u>	<u>18,059</u>

8. DIVIDENDS

	31/12/14 £	31/12/13 £
Ordinary shares of £1 each		
Interim	<u>1,014,000</u>	<u>-</u>

9. TANGIBLE FIXED ASSETS

	Land and buildings freehold £	Fixtures, fittings & equipment £	Motor vehicles £	Totals £
COST				
At 1 January 2014	1,556,897	585,403	142,652	2,284,952
Additions	10,588	38,627	30,077	79,292
At 31 December 2014	<u>1,567,485</u>	<u>624,030</u>	<u>172,729</u>	<u>2,364,244</u>
DEPRECIATION				
At 1 January 2014	67,723	468,248	62,947	598,918
Charge for year	23,311	60,360	32,237	115,908
At 31 December 2014	<u>91,034</u>	<u>528,608</u>	<u>95,184</u>	<u>714,826</u>
NET BOOK VALUE				
At 31 December 2014	<u>1,476,451</u>	<u>95,422</u>	<u>77,545</u>	<u>1,649,418</u>
At 31 December 2013	<u>1,489,174</u>	<u>117,155</u>	<u>79,705</u>	<u>1,686,034</u>

S.A.V. United Kingdom Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2014**

9. TANGIBLE FIXED ASSETS - continued

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Motor vehicles £
COST	
At 1 January 2014	80,784
Additions	29,255
At 31 December 2014	110,039
DEPRECIATION	
At 1 January 2014	22,454
Charge for year	24,479
At 31 December 2014	46,933
NET BOOK VALUE	
At 31 December 2014	63,106
At 31 December 2013	58,330

10. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 January 2014 and 31 December 2014	102,886
NET BOOK VALUE	
At 31 December 2014	102,886
At 31 December 2013	102,886

The company's investments at the Balance Sheet date in the share capital of companies include the following:

Cimberio (CIM) Limited

Country of incorporation: England

Nature of business: Dormant company

	%		
Class of shares:	holding		
Ordinary	50.00		
		31/12/14	31/12/13
		£	£
Aggregate capital and reserves		560,615	560,615

11. STOCKS

	31/12/14	31/12/13
	£	£
Stocks	1,547,998	1,141,690

S.A.V. United Kingdom Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2014**

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/12/14	31/12/13
	£	£
Trade debtors	3,080,617	818,868
Amounts owed by group undertakings	258,632	525,102
Other debtors	79,325	473,936
Prepayments	159,330	68,374
	<u>3,577,904</u>	<u>1,886,280</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/12/14	31/12/13
	£	£
Bank loans (see note 15)	52,910	51,172
Hire purchase contracts (see note 16)	25,133	17,738
Trade creditors	2,165,007	1,167,602
Amounts owed to group undertakings	615,714	729,000
Corporation tax	256,560	21,410
Other taxation and social security costs	906,672	507,415
Other creditors	1,933,920	674,716
Accrued expenses	249,048	78,306
	<u>6,204,964</u>	<u>3,247,359</u>

Included within other creditors is an amount of £1,421,450 (2013: £588,355) which relates to invoice discounting and is secured by a charge over the company's book debts.

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

	31/12/14	31/12/13
	£	£
Bank loans (see note 15)	622,265	673,868
Hire purchase contracts (see note 16)	37,142	38,679
	<u>659,407</u>	<u>712,547</u>

Included within bank loans are two loans of £449,012 and £226,163 which are repayable by monthly instalments until May 2025 and January 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.

15. LOANS

An analysis of the maturity of loans is given below:

	31/12/14	31/12/13
	£	£
Amounts falling due within one year or on demand:		
Bank loans	<u>52,910</u>	<u>51,172</u>
Amounts falling due between one and two years:		
Bank loans - 1-2 years	<u>54,752</u>	<u>52,955</u>

S.A.V. United Kingdom Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2014**

15. LOANS - continued

	31/12/14 £	31/12/13 £
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>175,971</u>	<u>170,194</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans more 5 yr by instal	<u>391,542</u>	<u>450,719</u>

16. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS

	31/12/14 £	31/12/13 £
Net obligations repayable:		
Within one year	25,133	17,738
Between one and five years	<u>37,142</u>	<u>38,679</u>
	<u>62,275</u>	<u>56,417</u>

17. PROVISIONS FOR LIABILITIES

	31/12/14 £	31/12/13 £
Deferred tax	<u>44,813</u>	<u>40,103</u>
		Deferred tax £
Balance at 1 January 2014		40,103
Charge to Profit and Loss Account during year		<u>4,710</u>
Balance at 31 December 2014		<u>44,813</u>
	31/12/14 £	31/12/13 £
Capital allowances in excess of depreciation	<u>44,813</u>	<u>40,103</u>

18. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	31/12/14 £	31/12/13 £
50,000	Ordinary	£1	<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 2014**

19. RESERVES

	Profit and loss account £	Capital redemption reserve £	Totals £
At 1 January 2014	1,098,147	10,344	1,108,491
Profit for the year	1,463,327		1,463,327
Dividends	(1,014,000)		(1,014,000)
At 31 December 2014	<u>1,547,474</u>	<u>10,344</u>	<u>1,557,818</u>

20. 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.

21. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

Included in creditors is an amount of £293,041 due to (2013: debtor due from £305,317) Mr L Fabricius, and an amount of £120,808 due to Mr J Hansen (2013: debtor due from £106,101). Both are directors of the company. The maximum overdrawn positions of their loan accounts in the year were £347,617 and £210,043 (2013: £305,317 and £106,101) respectively.

22. RELATED PARTY TRANSACTIONS

During the year, total dividends of £1,014,000 were paid to the directors.

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.

At the year end the company owed £560,616 (2013: £560,616) to Cimberio (CIM) Limited ("CIM"), its subsidiary undertaking.

During the year the company made purchases of £969,430 (2013: £685,847) 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 £274,963 (2013: £249,138).

Administration and distribution expenses of £102,432 (2013: £45,007) were also recharged to FAR United Kingdom Limited ("FAR"), a fellow subsidiary. In addition, the company made purchases of £204,276 (2013: £63,649) from FAR. At the year end SAV United Kingdom Limited owed £53,751 (2013: £167,037) to FAR.

Administration and distribution expenses of £2,118,605 (2013: £1,494,420) were also recharged to E C Power GB Limited ("ECP"), a fellow subsidiary. At the year end SAV United Kingdom Limited was owed £258,632 (2013: £525,102) 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, £90,525 and £1,335,372 (2013: £nil, £31,819 and £965,941) respectively, relating to amounts invoiced on their behalf by the company.

During the year the company paid contributions of £320,000 (2013: Nil) into the SAV Directors Pension Scheme. The beneficiaries of the SAV Directors Pension Scheme are Mr & Mrs L Fabricius and Mr & Mrs J Hansen.

S.A.V. United Kingdom Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2014**

23. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31/12/14	31/12/13
	£	£
Profit for the financial year	1,463,327	344,676
Dividends	(1,014,000)	-
Net addition to shareholders' funds	<u>449,327</u>	<u>344,676</u>
Opening shareholders' funds	1,158,491	813,815
Closing shareholders' funds	<u><u>1,607,818</u></u>	<u><u>1,158,491</u></u>