

Sweepax Pumps Limited

**Directors' report and financial
statements**

Registered number 03198281

For the year ended 31 December 2013

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Directors' report

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

Principal activity

The company owns an intellectual property and licence agreement in pump engineering technology and receives royalty income for the use of these. The directors do not anticipate any changes in these activities in the foreseeable future.

Results and dividends

The results for the year are as set out in the profit and loss account on page 6. The directors have taken advantage of the exemptions available to small companies and, therefore, a strategic report is not included in this report.

No dividends were paid during the year (2012: £Nil) and the directors do not recommend the payment of a final dividend.

Going concern

50% of the company's share capital is owned by Andrews Sykes Group plc and it is reliant on the continuing financial support and success of that group.

The group's consolidated financial statements for the 12 months ended 31 December 2013 were approved on 6 May 2014. In those financial statements, the board of Andrews Sykes Group plc concluded that "after making enquiries, the board has a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the board continues to adopt the going concern basis when preparing this annual report and financial statements". Further information explaining why the board reached this conclusion is given on page 12 of the group's 2013 annual report and financial statements.

The directors of this company have confirmed with the board of Andrews Sykes Group plc that they still consider the above statement to be valid as at the date of approval of these financial statements. Given that assurance, the directors have continued to adopt the going concern basis in the preparation of this company's annual report and financial statements.

Directors

The directors who served during the financial year and subsequently are as follows:

KEJ Ford
T Oakley
LJ Oakley
PT Wood

Disclosure of information to 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 they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Directors' report *(continued)*

Auditor

Our auditor, KPMG Audit Plc, has instigated an orderly wind down of business. The Board has decided to put KPMG LLP forward to be appointed as auditor and resolution concerning their appointment will be put to the forthcoming Board meeting.

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

Signed by order of the board


MJ Calderbank ACA
Company Secretary

Premier House
Darlington Street
Wolverhampton
WV1 4JJ

3 September 2014

Statement of directors' responsibilities in respect of the Directors' report and the 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 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 judgments 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.



KPMG Audit Plc

One Snowhill
Snow Hill Queensway
Birmingham
B4 6GH
United Kingdom

Independent auditor's report to the members of Sweepax Pumps Limited

We have audited the financial statements of Sweepax Pumps Limited for the year ended 31 December 2013 set out on pages 6 to 11. 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 3, 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 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 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 matter 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.

Independent auditor's report to the members of Sweepax Pumps 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.
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.



Darren Turner (Senior Statutory Auditor)
for and on behalf of KPMG Audit Plc, Statutory Auditor
Chartered Accountants

3 September 2014

Profit and loss account
for the year ended 31 December 2013

	<i>Note</i>	2013 £	2012 £
Turnover	2	6,928	5,187
Operating profit, being the profit on ordinary activities before taxation	3	6,928	5,187
Tax on profit on ordinary activities	4	(1,386)	(1,037)
Profit for the financial year	8	5,542	4,150

All results are derived from continuing activities in both years.

There are no recognised gains or losses other than the profit for the year and the previous year.

Balance sheet
at 31 December 2013

	<i>Note</i>	2013 £	2012 £
Current assets			
Debtors	5	43,327	36,399
Current liabilities			
Creditors falling due within one year	6	(26,658)	(25,272)
Net assets		<u>16,669</u>	<u>11,127</u>
Capital and reserves			
Called up share capital	7	4	4
Profit and loss account	8	16,665	11,123
Shareholders' funds	9	<u>16,669</u>	<u>11,127</u>

These financial statements were approved by the board of directors on 3 September 2014 and were signed on its behalf by:


KEJ Ford
Director

Company number: 03198281

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 company's financial statements:

Going concern

The financial statements have been prepared on the assumption that the company is a going concern and will continue to trade for at least 12 months following the date of approval of the financial statements and based on the assessment made by the directors in the directors' report.

Turnover

Turnover represents the amount derived from the provision of goods and services falling within the company's activities after deduction of trade discounts and value added tax.

Taxation

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred taxation 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. Timing differences arise from the inclusion of items of income and expenditure in the taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Cash flow statement

In accordance with FRS 1, "Cash flow statements", the company is exempt from the requirement to prepare a cash flow statement as it qualifies as a small company.

2 Turnover

The turnover for the year was derived from the company's principal activity. The whole of the turnover is attributable to the UK market.

3 Operating profit

All operating expenses, including fees payable to the company's auditor in respect of the audit of company's financial statements and fees payable to the company's auditor in respect of non-audit services, are borne by related parties.

Directors' emoluments were borne by other group companies, Andrews Sykes Hire Limited and Andrews Sykes Group plc in both years and it is not practicable to ascertain the proportion of these directors' emoluments that specifically relate to the company. The company has no employees other than the directors in both years.

Notes (continued)

4 Tax on profit on ordinary activities

Analysis of charge for the year

	2013 £	2012 £
<i>UK corporation tax</i>		
Current tax on income for the year	1,386	1,038
Adjustments in respect of prior years	-	(1)
	<hr/>	<hr/>
Total current tax, being tax on profit on ordinary activities	1,386	1,037
	<hr/> <hr/>	<hr/> <hr/>

Factors affecting the tax charge for the current year

The current tax charge for the year is the same as (2012: different from) that resulting by applying the standard small company rate of corporation tax in the UK of 20% (2012: 20%). The differences are explained below:

	2013 £	2012 £
<i>Current tax reconciliation</i>		
Profit on ordinary activities before tax	6,928	5,187
	<hr/>	<hr/>
Current tax at 20% (2012: 20%)	1,386	1,038
	<hr/>	<hr/>
<i>Effects of:</i>		
Adjustments to tax charge in respect of previous years	-	(1)
	<hr/>	<hr/>
Total current tax charge (see above)	1,386	1,037
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Factors that may affect future current and total tax charges

The 2013 Budget on 20 March 2013 announced that the UK corporation tax rate will reduce to 20% by 2015. Reductions in the UK corporation tax rate from 26% to 24% (effective from 1 April 2012) and to 23% (effective from 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 above has the potential to reduce the future tax charge but no changes are currently envisaged to the small company rate which is applicable to this company.

Notes (continued)

5 Debtors

	2013 £	2012 £
Amounts owed by related parties	43,323	36,395
Other debtors	4	4
	<u>43,327</u>	<u>36,399</u>

6 Creditors: Amounts falling due within one year

	2013 £	2012 £
Amounts owed to related parties	25,272	24,234
Corporation tax	1,386	1,038
	<u>26,658</u>	<u>25,272</u>

7 Called up share capital

	2013 £	2012 £
<i>Called up, allotted and unpaid:</i>		
4 ordinary shares of £1 each	4	4
	<u>4</u>	<u>4</u>

8 Profit and loss account

	£
At beginning of year	11,123
Profit for the financial year	5,542
	<u>16,665</u>

9 Reconciliation of movements in shareholders' funds

	2013 £	2012 £
Profit for the financial year	5,542	4,150
Dividends paid	-	-
	<u>5,542</u>	<u>4,150</u>
Net increase in shareholders' funds	5,542	4,150
Opening shareholders' funds	11,127	6,977
	<u>16,669</u>	<u>11,127</u>

Notes (continued)

10 Related party transactions

Andrews Sykes Hire Limited is a subsidiary undertaking of Andrews Sykes Group plc, a company registered in England and Wales, which owns two shares in Sweepax Pumps Limited. The company has earned royalty income of £6,928 (2012: £5,187) in respect of sales and hires made by Andrews Sykes Hire Limited during the year.

In addition, Andrews Sykes Hire Limited has incurred, but not recharged, the audit fee expense on behalf of the company. The year end balance owed by Andrews Sykes Hire Limited was £43,323 (2012: £36,395).

Andrews Sykes Group plc paid last year's corporation tax liability of £1,038 (2012: £994) on behalf of the company. The year end balance owed to Andrews Sykes Group plc was £25,272 (2012: £24,234).

T Oakley and L Oakley have a current account with the company. The balance owed by them to the company at 31 December 2013 was £Nil (2012: £Nil).

11 Controlling parties

The company was jointly controlled by Andrews Sykes Group plc, a company registered in England and Wales, and T Oakley and L Oakley throughout the year.