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Airtec Limited

**Annual report and financial statements
for the year ended 31 December 2014**

Registered number 02588052

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Airtec Limited

Annual report and financial statements for the year ended 31 December 2014

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Airtec Limited

Directors' report for the year ended 31 December 2014

The directors present their report together with the financial statements of Airtec Limited (the company) for the year ended 31 December 2014.

Principal activities and business review

The company's principal activity during the period was the hire, maintenance, service and sale of compressed air equipment.

Turnover and margins

2014 has been a difficult year due to the economic downturn however the company has been able to meet these demanding conditions by reducing administrative costs and maintaining a satisfactory level of turnover and gross margin.

Position at the period end

The directors are satisfied with the result for the year and pleased with the improved position of the company at the period end.

Results

The company made a profit after taxation of £327,434 (2013: profit of £127,791) which was transferred to reserves. The directors do not recommend the payment of a dividend (2013: £Nil).

Going concern

The financial statements have been prepared on a going concern basis.

Subsequent Events

There were no subsequent events.

Directors and their interests

The directors who held office during the period and up to the date of signing these accounts are given below:

D Clark

S Taylor

Employee involvement

All employees of the company are actively encouraged to participate in and contribute towards achieving the company's objectives.

Regular meetings between employees' representatives and local management take place at each location. Several company magazines are circulated to all employees to advise them of the international aspects of the Group's operations.

It is the policy and practice of the company to give full and fair consideration to assist the employment of the disabled and their training and career development and, wherever practicable, to retain employees who become disabled.

Statement of disclosure of information to auditors

So far as each of the directors in office at the date of approval of these financial statements is aware:

- there is no relevant audit information of which the Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Airtec Limited

Directors' report for the year ended 31 December 2014 (continued)

Statement of directors' responsibilities

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 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.

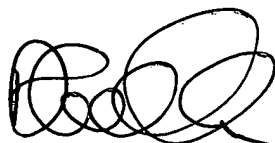
Small Company Provisions

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Auditors

PricewaterhouseCoopers have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed by Ingersoll Rand Plc.

By order of the Board



D Clark
Director

13th August 2015



Independent auditors' report to the members of Airtec Limited

Report on the financial statements

Our opinion

In our opinion, Airtec Limited's financial statements (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.
-

What we have audited

The financial statements comprise:

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

The financial reporting framework that has been applied in the preparation of the financial statements 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.

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.

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.

*PricewaterhouseCoopers, One Spencer Dock, North Wall Quay, Dublin 1, Ireland, I.D.E. Box No. 137
T: +353 (0) 1 792 6000, F: +353 (0) 1 792 6200, www.pwc.com/ie*



Independent auditors' report to the members of Airtec Limited - continued

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.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; take advantage of the small companies exemption in preparing the Directors' Report; and take advantage of the small companies exemption from preparing a strategic report. 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 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) ("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.

What an audit of financial statements involves

We conducted our audit in accordance with 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.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.



Independent auditors' report to the members of Airtec Limited - continued

In addition, we read all the financial and non-financial information in the Directors' 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.

A handwritten signature in black ink, appearing to read 'Alisa Hayden', is written over the printed name.

**Alisa Hayden (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers
Chartered Accountants and Statutory Auditors
Dublin**

20 August 2015

Airtec Limited

Profit and loss account for the year ended 31 December 2014

	Note	2014 £	2013 £
Turnover	2	2,675,015	2,273,687
Cost of sales		(1,759,372)	(1,562,061)
Gross profit		915,643	711,626
Selling and administration costs		(597,937)	(585,325)
Operating profit	3	317,706	126,301
Net interest	4	(9,568)	(12,220)
Profit on ordinary activities before tax		308,138	114,081
Tax on profit on ordinary activities	6	19,296	13,710
Profit on ordinary activities after tax		327,434	127,791

All recognised gains and losses for the period have been credited or charged to the profit and loss account and therefore no separate statement of recognised gains and losses has been presented.

There are no material differences between the profit on ordinary activities before taxation and the profit for the financial period stated above and their historical costs equivalents. The results in the year have been derived from continuing operations.

D Clark
Director



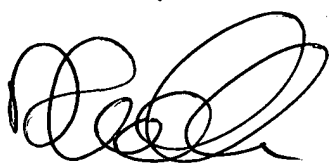
13th August 2015

Airtec Limited

Balance sheet as at 31 December 2014

	Note	2014 £	2013 £
Fixed assets			
Tangible fixed assets	7	129,543	215,399
Current assets			
Stocks	8	340,304	306,380
Debtors	9	378,133	467,302
Cash at bank and in hand		2,259	265,050
		720,696	1,038,732
Creditors: amounts falling due within one year	10	(568,328)	(1,299,654)
Net current assets/(liabilities)		152,368	(260,922)
Total assets less current liabilities		281,911	(45,523)
Total net assets/(liabilities)		281,911	(45,523)
Capital and reserves			
Called up share capital	12	42	42
Profit and loss account	13	281,869	(45,565)
Equity shareholders' surplus/(deficit)	14	281,911	(45,523)

The financial statements on pages 6 to 14 were approved by the board of directors on 13 August 2015 and signed on its behalf by:



D Clark
Director

Airtec Limited

Notes to the Financial Statements

1 Accounting policies

These financial statements are prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards. The principal accounting policies are set out below.

Going concern

The financial statements have been prepared on a going concern basis.

Turnover

Turnover represents amounts receivable for goods and services net of trade discounts and value added tax.

Tangible fixed assets and finance leases

Tangible fixed assets are capitalised at cost less accumulated depreciation.

Depreciation is provided at the following rates:

Leasehold improvements	straight line over the term of the lease
Plant and machinery	straight line over 5-12 years
Fixtures, Fittings and equipment	straight line over 5-10 years
Motor vehicles	straight line over 3-6 years

In the prior year, tangible fixed assets included leased plant fittings which are capitalised at the inception of the lease at the present value of the minimum lease payments and are depreciated on the same basis as other tangible fixed assets. Future minimum lease payments, less finance charges allocated to future periods, are shown as leasing liabilities. Finance charges are allocated to accounting periods during the lease term so as to produce a constant rate of return on the remaining balance of the leasing liability for each accounting period.

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost is based on normal levels of cost and activity and comprises cost of purchase. Net realisable value comprises the actual or estimated selling price (net of trade but before settlement discounts), less all costs to be incurred in marketing, selling and distribution.

Deferred taxation

Full provision is made, if necessary, for timing differences that have originated but not reversed at the period end. Timing differences relate primarily to timing differences on capital allowances. Deferred tax assets are recognised to the extent that they are regarded as recoverable.

Pension costs

Contributions to the Ingersoll-Rand Stakeholder Pension Scheme are charged to the company's profit and loss account in the period in respect of which they become payable.

Cash flow

The company is taking advantage of the exemption, stated in Financial Reporting Standard No. 1 (Revised 1996) from the requirement to prepare a cash flow statement, as such disclosures are included within the accounts of the ultimate parent undertaking, for which consolidated accounts are publicly available.

2 Turnover

Turnover by class of business and by geographical market, segmental net assets and origin of turnover have not been disclosed, as the directors consider that to do so would be seriously prejudicial to the interests of the company.

Airtec Limited
Notes to the Financial Statements

3 Operating profit

	2014	2013
	£	£
Operating profit is stated after charging the following amounts:		
Staff costs (note 5)	697,937	603,277
Depreciation of tangible fixed assets (note 7)	71,396	72,025
Loss on disposal of assets	24,271	-
Auditors' remuneration:		
Audit fees	-	12,448
Auditor's remuneration £11,875 for the current year was borne by another entity within the group		

4 Net interest

	2014	2013
	£	£
Interest payable and similar charges	9,568	12,220
Interest receivable	-	-
	9,569	12,220

5 Directors' and employees' costs

	2014	2013
	£	£
Staff costs		
Wages and salaries	604,041	520,472
Social security costs	65,138	55,565
Other pension costs	28,758	27,240
	697,937	603,277

Airtec Limited
Notes to the Financial Statements

5 Directors' and employees' costs (continued)

Directors' remuneration:

The directors received no emoluments (2013: £Nil).

Number of persons employed: **2014** **2013**

	Number	Number
The average number of employees during the period, all of whom were located in the UK was:	16	18

6 Taxation on profit on ordinary activities

	2014	2013
	£	£
Current tax	-	-
Deferred tax		
Origination and reversal of timing differences (note 11)	(19,296)	(13,710)
Adjustments in respect of prior years	-	-
Total deferred tax credit for the period	(19,296)	(13,710)
Total tax credit on profit on ordinary activities	(19,296)	(13,710)

Airtec Limited
Notes to the Financial Statements

6 Taxation on profit on ordinary activities (continued)

The tax assessed for the period is different than would be implied by applying the standard rate of corporation tax in the UK of 21.5% (2013: 23.25%). The differences are explained below:

	2014	2013
	£	£
Profit on ordinary activities before tax	308,138	114,081
Profit on ordinary activities multiplied by standard rate of taxation in the UK 21.5% (2013: 23.25%)	66,250	26,524
Capital allowances below depreciation	19,296	13,710
Group relief surrendered by a fellow subsidiary at no cost	(89,142)	(45,595)
Entertaining and other disallowable expenditure	2,150	2,325
Rate Change	1,446	3,036
Total tax credit on profit on ordinary activities	-	-

7 Tangible fixed assets

	Leasehold improvements £	Plant, machinery and equipment £	Total £
Cost or valuation			
At the beginning of the period	5,580	981,691	987,271
Additions	-	10,622	10,622
Disposals	-	(68,343)	(68,343)
At the end of the period	5,580	923,970	929,550
Accumulated Depreciation			
At the beginning of the period	5,580	766,292	771,872
Additions	-	811	811
Disposals	-	(44,072)	(44,072)
Charge for the period	-	71,396	71,396
At the end of the period	5,580	794,427	800,007
Net book value			
At the end of the period	-	129,543	129,543
At the beginning of the period	-	215,399	215,399

There are no capital commitments at 31 December 2014 (2013: £Nil).

Airtec Limited
Notes to the Financial Statements

8 Stocks

	2014	2013
	£	£
Finished goods	340,304	306,380

The replacement value of the stocks did not differ materially from the historical cost at the balance sheet date.

9 Debtors

	2014	2013
	£	£
Trade debtors	292,703	365,279
Amounts due from group undertakings	36,262	62,839
Deferred tax asset (note 11)	38,335	19,039
Prepayments and VAT	10,833	20,145
	378,133	467,302

10 Creditors: amounts falling due within one year

	2014	2013
	£	£
Bank loans and overdrafts	177,789	799,400
Trade creditors	107,913	197,831
Amounts owed to group undertakings	226,878	223,324
Accruals	55,748	79,099
	568,328	1,299,654

The bank overdraft is part of a European cash pooling arrangement which is secured by the assets of the Ingersoll-Rand group.

Airtec Limited
Notes to the Financial Statements

11 Deferred tax

Deferred tax is provided as follows:

	2014 £	2013 £
Accelerated capital allowances	(19,296)	(13,710)
	(19,296)	(13,710)
At the beginning of the period	(19,039)	(5,329)
Deferred tax charged to profit and loss account (note 6)	(19,296)	(13,710)
At the end of the period	(38,335)	(19,039)

12 Called up share capital

	2014 £	2013 £
Authorised		
60 Ordinary voting shares of £1 each	60	60
40 Ordinary non-voting shares of £1 each	40	40
	100	100
Allotted, called up and fully paid		
2 Ordinary voting shares of £1 each	2	2
40 Ordinary non-voting shares of £1 each	40	40
	42	42

The ordinary non-voting shares rank pari passu in all respects with the ordinary shares except that they do not carry any voting rights.

Airtec Limited

Notes to the Financial Statements

13 Reserves

	Profit and loss account £
At the beginning of the period	(45,565)
Retained profit for the period	327,434
At the end of the period	281,869

14 Reconciliation of movement in shareholder's equity

	2014 £	2013 £
Retained profit for the financial period	327,434	127,792
Equity shareholders' deficit at the beginning of the period	(45,523)	(173,315)
Equity shareholders' surplus/(deficit) at the end of the period	281,911	(45,523)

15 Pension Costs

The company participates in the Ingersoll-Rand (UK) Stakeholder Pension Scheme, a defined contribution scheme. The assets of the scheme are held separately from the company in an independently administered fund. The pension cost charge represents contributions payable by the company as they fall due. The pension cost for the year is £28,758 (2013: £27,240).

16 Related party transactions

Transactions with other companies within the group are not disclosed as the company has taken advantage of the exemption available to 100% owned subsidiaries under Financial Reporting Standard No.8 "Related Party Disclosures", as the group financial statements of the ultimate parent undertaking, in which the company is consolidated, are available at the address shown in Note 17.

17 Ultimate parent undertaking

The immediate parent company is Ingersoll-Rand European Sales Ltd, a company incorporated in England and Wales.

Ingersoll-Rand plc, which is incorporated in Ireland, is the parent undertaking of the smallest and largest group to consolidate the accounts of the Company. The directors consider this to be the ultimate parent undertaking and controlling party. The 2014 accounts of Ingersoll-Rand plc include the consolidation of the Company's accounts for this financial year. Copies of the accounts of Ingersoll-Rand plc may be obtained from its registered office:

170/175 Lakeview Drive
Airside Business Park
Swords
Co. Dublin
Ireland