AEG Power Solutions Ltd

Annual report and financial statements

Registered number 00407689

31 December 2018

Contents

Company information

Directors:	J.R. Casper (resigned 6 February 2019) A.P.M. van der Harten (appointed 1 October 2018) F.B.L. Audrain (appointed 18 March 2019)
Registered Office:	Suite 16, Wenta Business Centre 1 Electric Avenue Innova Park Enfield Middlesex EN3 7XU
Registered Number:	00407689

Strategic report

The directors present the strategic report and the audited financial statements for the year ended 31 December 2018.

Principal activity

The principal activity of the Company continues to be the sale of electronic power equipment.

Business review and future developments

The Company recorded a loss before tax of £325,000 in the year compared with a loss before tax of £354,000 in 2017.

In order to exceed increasing customer requirements for service, AEG Power Solutions Ltd has improved customer service processes, systems and offerings.

The order intake for 2018 ended on £4,777,000, which compared to 2017 is a 26.5 % decrease in the total order intake. Revenue for 2018 was £6,172,000 which is a decline of 10.3% compared to 2017. The decline is a result of a lower order intake in the year. To support the growth strategy that was implemented last year, AEG Power Solutions Ltd has continued to strengthen the organisation with continued focus on Sales and Service in the traditional markets Oil & Gas, Petrochemical, Power Generation and Transportation and introduced new products on the UK market. AEG Power Solutions Ltd will appoint an extra sales representative to further increase its presence in the transportation business.

Risks

A significant part of the Company's purchases are Euro denominated. The directors do not consider it necessary to actively manage the foreign currency risk as other group companies' trade in Euros.

Going Concern Assumption

The financial statements have been prepared on the going concern basis, notwithstanding the net current liabilities of £3,379,000 (2017: £2,982,000) and net liabilities of £3,437,000 (2017: £3,112,000) which the directors believe to be appropriate for the below reasoning.

The Ultimate Parent Company has provided the Company with a letter of financial support at least a period of 12 months from the date of signing these financial statements, enabling the Company to ensure it meets its liabilities as they fall due and continue under the going concern assumption.

However, uncertainties do exist and the Company has taken measures in order to mitigate these. The Company is heavily involved in the UK transportation business and dependent on the level of investments regulated by the public sector. The Company is diversifying its product offering towards the oil & gas industry and other market segments. There is a risk that this recovery does not fully occur due to deteriorating market conditions, delay in order intake or slower than expected business performance recovery.

The Company is aware that it is reliant for its working capital on funds provided to it by the company's ultimate parent undertaking, which has provided the company with an indication of intent that it will continue to make available such funds as are needed by the company, including not seeking repayment of amounts currently made available for at least for next twelve months from the date of the approval of these financial statements and thereafter for the foreseeable future to enable it to continue to trade. However the ultimate parent is also in a net liability position currently and therefore this gives rise to uncertainty over their ability to continue to support the entity.

Strategic report *(Continued)*

Going Concern Assumption *(Continued)*

Based on the above, there remains a material uncertainty that may cast significant doubt on the company's ability to continue as a going concern and, therefore to continue realising its assets and discharging its liabilities in the normal course of business. However, the directors are confident that the Company can rely on the financial support directly from the ultimate parent company, 3W Power SA, for the next 12 months from the date of signing these financial statements and therefore continue to prepare the accounts on a going concern basis. The financial statements do not include any adjustments that would result from the basis of the preparation being inappropriate.

On behalf of the board,

Paul van der Harten
Director

Date: 26 September 2019

Suite 16, Wenta Business Centre
1 Electric Avenue
Innova Park
Enfield
Middlesex
EN3 7XU

Directors' report

The directors present the annual report and the audited financial statements for the year ended 31 December 2018.

Directors

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

J.R. Casper (resigned 6 February 2019)
A.P.M Van der Harten (appointed 1 October 2018)
F.B.L Audrain (appointed 18 March 2019)

Future developments

Please refer to future developments note contained within the strategic report on page 2.

Results and dividends

The loss for the year before taxation was £325,000 *(2017: loss £354,000).*

The directors do not recommend the payment of a dividend *(2017: £nil).*

Going concern

Please refer to going concern assumption contained within strategic report on page 2 and 3.

Disclosure of information to auditors

Each of the directors who held office at the date of approval of this directors' report confirms that, so far as each is aware, there is no relevant audit information of which the Company's auditors are unaware; and the directors have taken all the steps that they ought to have taken as directors to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Independent auditors

The audit the accounts of the company for the 12 month period ended 31 December 2018, was performed by PricewaterhouseCoopers LLP, being the auditors of the Company's parent, AEG Power Solutions BV.

Statement of Directors' Responsibilities in Respect of the Financial Statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

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, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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 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.

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.

On behalf of the board

Paul van der Harten
Director

Date: 26 September 2019

Suite 16, Wenta Business Centre
1 Electric Avenue
Innova Park
Enfield
Middlesex
EN3 7XU

Independent auditors' report to the members of AEG Power Solutions LTD

Report on the audit of the financial statements

Opinion

In our opinion, AEG Power Solutions LTD's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual report and financial statements (the "Annual Report"), which comprise: the balance sheet as at 31 December 2018; the profit and loss account, the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Material uncertainty related to going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements concerning the company's ability to continue as a going concern. In particular, the uncertainty as to the business performance and the continued support of the company's shareholder and their ability to provide appropriate loan facilities, along with the other matters explained in note 1 to the financial statements, indicates the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic Report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' report for the year ended 31 December 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities Statement in Respect of the Financial Statements set out on page 5, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

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.

Other required reporting

Companies Act 2006 exception reporting

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 by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Paola Brazier

Paola Brazier (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
St Albans
26 September 2019

Profit and loss account
for the year ended 31 December 2018

	Note	2018 £000	2017 £000
Turnover	2	**6,172**	6,880
Cost of sales		**(4,750)**	(4,899)
Gross profit		**1,422**	1,981
Administrative expenses		**(1,820)**	(2,361)
Operating loss		**(398)**	(380)
Interest payable and similar expenses	6	(56)	(364)
Non-operating income		**129**	390
Loss on before taxation		**(325)**	(354)
Tax on loss	7	-	-
Loss for the financial year		**(325)**	(354)

The notes on pages 11 to 20 form part of these financial statements.

There were no recognised gains or losses during the current or prior year other than the loss or profit for that financial year. Accordingly, no separate statement of comprehensive income has been presented.

Balance sheet
at 31 December 2018

	Note	**2018 £000**	**2018 £000**	2017 £000	2017 £000
Fixed assets					
Tangible assets	*8*		**2**		11
			2		11
Current assets					
Stocks	*10*	**283**		246	
Debtors	*11*	**2,665**		2,941	
Cash at bank and in hand		**141**		249	
		3,089		3,436	
Creditors: amounts falling due within one year	*12*	**(6,468)**		(6,418)	
Net current liabilities			**(3,379)**		(2,982)
Total assets less current liabilities			**(3,377)**		(2,971)
Provisions for liabilities	*13*		**(60)**		(141)
Net liabilities			**(3,437)**		(3,112)
Capital and reserves					
Called up share capital	*14*		**30,039**		30,039
Capital reserve			**5,270**		5,270
Accumulated losses			**(38,746)**		(38,421)
Total shareholders' deficit			**(3,437)**		(3,112)

The notes on pages 11 to 20 form an integral part of these financial statements.

These financial statements were approved by the directors due course and were signed by:

Paul van der Harten
Director
26 September 2019

Statement of Changes in Equity
for the year ended 31 December 2018

	Share capital £000	Capital reserve £000	Profit and Loss Account £000	Total shareholders Funds £000
At 1 Jan 2018	30,039	5,270	(38,421)	(3,112)
- Total comprehensive income for the financial year	-	-	(325)	(325)
At 31 December 2018	30,039	5,270	(38,746)	(3,437)

	Share capital £000	Capital reserve £000	Profit and Loss Account £000	Total shareholders Funds £000
At 1 Jan 2017	30,039	5,270	(38,067)	(2,758)
- Total comprehensive income for the financial year	-	-	(354)	(354)
At 31 December 2017	30,039	5,270	(38,421)	(3,112)

Notes

(forming part of the financial statements)

1 Accounting policies

AEG Power Solutions Ltd (the "Company") is a company limited by shares and incorporated and domiciled in the UK with registered address Suite 16, Wenta Business Centre, 1 Electric Avenue, Innova Park, Enfield, EN3 7XU.

Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland (*"FRS 102"*) as issued in August 2014 and Companies Act 2016. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

As the Company is a wholly owned subsidiary of 3W Power S.A., a company registered in Luxembourg, it has taken advantage of the exemption contained in FRS 102 and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties). The consolidated financial statements of 3W Power S.A., within which this company is included, can be obtained from the address given in note 17. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemption available under FRS 102 in respect of presenting a statement of cash flows.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Critical accounting estimates and judgements

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

The financial statements are prepared on the historical cost basis. Estimates and judgements are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The inventory provision is based on judgements about slow moving and obsolete stock. The warranty provision is based on estimates and historical data.

Financial Instruments

The company has chosen to adopt the Sections 11 and 12 of FRS 102 in respect of financial instruments.

Basic financial assets, including trad and other receivables, cash and bank balances and investments in commercial paper, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price.

Notes *(continued)*

Going Concern

The financial statements have been prepared on the going concern basis, notwithstanding the net current liabilities of £3,379,000 (2017: £2,982,000) and net liabilities of £3,437,000 (2017: £3,112,000) which the directors believe to be appropriate for the below reasoning.

The Ultimate Parent Company has provided the Company with a letter of financial support at least a period of 12 months from the date of signing these financial statements, enabling the Company to ensure it meets its liabilities as they fall due and continue under the going concern assumption.

However, uncertainties do exist and the Company has taken measures in order to mitigate these. The Company is heavily involved in the UK transportation business and dependent on the level of investments regulated by the public sector. The Company is diversifying its product offering towards the oil & gas industry and other market segments. There is a risk that this recovery does not fully occur due to deteriorating market conditions, delay in order intake or slower than expected business performance recovery.

The Company is aware that it is reliant for its working capital on funds provided to it by the company's ultimate parent undertaking, which has provided the company with an indication of intent that it will continue to make available such funds as are needed by the company, including not seeking repayment of amounts currently made available for at least for next twelve months from the date of the approval of these financial statements and thereafter for the foreseeable future to enable it to continue to trade. However the ultimate parent is also in a net liability position currently and therefore this gives rise to uncertainty over their ability to continue to support the entity.

Based on the above, there remains a material uncertainty that may cast significant doubt on the company's ability to continue as a going concern and, therefore to continue realising its assets and discharging its liabilities in the normal course of business. However, the directors are confident that the Company can rely on the financial support directly from the ultimate parent company, 3W Power SA, for the next 12 months from the date of signing these financial statements and therefore continue to prepare the accounts on a going concern basis. The financial statements do not include any adjustments that would result from the basis of the preparation being inappropriate.

Notes *(continued)*

1 Accounting policies *(continued)*

Turnover

Turnover represents amounts receivable for goods or services provided in the normal course of business, net of trade discounts, VAT and other sales-related taxes.

Revenue is recognised in respect of power systems on customer acceptance of the goods. Revenue is recognised in respect of other services (such as design and training) in line with contractual performance, based on materials used and billable hours spent.

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost includes materials, direct labour and an attributable proportion of manufacturing overheads based on normal levels of activity. Net realisable value is based on estimated selling price, less further costs expected to be incurred to completion and disposal. Provision is made for obsolete, slow moving or defective items where appropriate.Intangible assets and amortisation.

Intangible fixed assets purchased are capitalised at cost and amortised on a straight line basis over their estimated useful economic life.Fixed assets and depreciation

Depreciation is provided on all fixed assets, to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Plant, equipment, furniture and fittings	15-33% pa	straight line

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the contracted rate or the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

Leases

Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

Post-retirement benefits

The Company operates the AEG Power Solutions Stakeholder scheme, a defined contribution scheme. The amount charged to the profit and loss account with respect to this scheme represents the contributions payable to the scheme in respect of the accounting period.

Taxation

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 102.

Research and development costs

Expenditure on research and development costs is charged to the profit and loss account in the year in which it is incurred.

Notes *(continued)*

2 Analysis of turnover

By Sales and Services	**2018** **£000**	2017 £000
Services	**4,157**	3,259
Sales	**2,015**	3,621
	6,172	6,880

3 Loss on ordinary activities before taxation

	2018 **£000**	2017 £000
Loss on ordinary activities before taxation is stated after charging/(crediting):		
Depreciation	**6**	6
Amortisation	**-**	1
Hire of plant and machinery	**9**	5
Hire of other assets – operating leases	**40**	30
Research and development costs	**177**	259
Exchange loss	**(17)**	288

Auditors' remuneration		
- audit of these financial statements	**45**	90
- other services relating to taxation	**9**	7

4 Remuneration of directors

	2018 **£000**	2017 £000
The remuneration of the total paid director was:		
Directors' emoluments	**396**	303
Company contributions to money purchase pension schemes	**16**	39
	412	342

The remuneration of the highest paid director was:	**2018** **£000**	2017 £000
Emoluments	**396**	303
Company contributions to money purchase pension schemes	**16**	39
	412	342

Notes *(continued)*

4 Remuneration of directors *(continued)*

Retirement benefits are accruing to the following number of directors under:

	Number of directors	
	2018	2017
Money purchase schemes	**1**	1

5 Staff numbers and costs

The average monthly number of persons employed by the Company (including directors) during the year, analysed by category, was as follows:

	Number of employees	
	2018	2017
Production	**7**	7
Sales	**8**	8
Administration	**8**	8
	23	23

The aggregate payroll costs of these persons were as follows:

	2018	2017
	£000	£000
Wages and salaries	**1,857**	1,857
Social security costs	**239**	298
Other pension costs	**92**	119
	2,188	2,274

6 Interest payable and similar expenses

	2018	2017
	£000	£000
Group loan interest and other charges	**73**	76
Foreign exchange loss	**(17)**	288
	56	364

Notes *(continued)*

7 Tax on loss on ordinary activities

Analysis of total tax recognised in profit and loss

	2018	2017
	£000	£000
UK corporation tax		
Current tax for the year	-	-
Deferred tax	-	-

Factors affecting the tax charge for the year

The tax assessed on the loss on ordinary activities for the year differs from the standard rate of corporation tax in the United Kingdom ('UK'). The differences are explained below:

	2018	2017
	£000	£000
(Loss)/profit on ordinary activities before tax	**(325)**	(354)
Current tax at standard rate of 19.00% *(2017: 19.25%)*	**(62)**	(68)
Effects of:		
Income not deductible	**(25)**	(95)
Expenses not deductible	**1**	-
Deferred tax not recognized	**86**	163
Total tax charge for the year	-	-

The company has trade losses as at 31 December 2018 of £19,038,428 (2017: £18,713,310) available for offset against future taxable profits (subject to agreement with the tax authorities). In addition the company has non-trade relationship losses of £1,445,296 (2017: £1,391,878) and capital losses of £1,378,107 (2017: £1,378,107). The company had accumulated accelerated depreciation of £1,541,835 (2017: £1,531,706). The company also has other short term time differences of £26,896 (2017: £144,159). No deferred tax asset has been recognized in respect of these losses due to insufficient evidence of recoverability at the balance sheet date

Factors that may affect future tax charges

From 1 April 2018, the main rate of corporation tax is 19%. The corporation tax rate was reduced from 20% to 19% on 1 April 2017 and it will be further reduced to 17% for the year starting 20 April 2020. This will reduce the company's future current tax charge accordingly.

No deferred tax asset/liability was recognised at year end.

Notes *(continued)*

8 Tangible fixed assets

	Plant, equipment furniture and fittings £000
Cost	
Balance at 1 January 2018	206
Additions	1
Disposals	(72)
Balance at 31 December 2018	135
Accumulated Depreciation	
Balance at 1 January 2018	(195)
Charge for the year	(6)
Disposals	68
Balance at 31 December 2018	(133)
Net book value	
At 31 December 2018	**2**
At 31 December 2017	11

9 Intangible assets

	Software £000
Cost	
Balance at 1 January and 31 December 2018	481
Amortisation	
Balance at 1 January and 31 December 2018	(481)
Net book value	
At 31 December 2018 and 31 December 2017	-

Notes *(continued)*

10 Stocks

	2018 £000	2017 £000
Finished goods and goods for sale	**112**	48
Work in progress	**199**	198
Stock provision	**(28)**	-
	283	246

11 Debtors

	2018 £000	2017 £000
Trade debtors	**912**	2,227
Amounts owed by group undertakings	**1,427**	662
Prepayments and accrued income	**326**	52
	2,665	2,941

Amounts due from group undertakings are unsecured, bear no interest and have no fixed term of repayment

Trade debtors are stated after provisions for impairment of £226,775 (2017: £ -)

12 Creditors: amounts falling due within one year

	2018 £000	2017 £000
Trade creditors	**201**	643
Amounts owed to group undertakings	**6,044**	5,026
Taxation and social security	**42**	281
Other creditors	**-**	37
Accruals and deferred income	**181**	431
	6,468	6,418

Amounts due to group undertakings are unsecured, bear no interest and have no fixed term of repayment

Notes *(continued)*

13 Provisions for Liabilities

	Warranty provision	Liquidated damages
	£000	**£000**
At 1 January 2018	72	69
Provisions (released) during the year	(12)	(69)
Provisions used during the year	0	0
At 31 December 2018	**60**	0

The warranty provision is measured based on the probability of the goods requiring repair or replacement and the best estimate of the costs to be incurred in respect to defective products sold on or before the reporting date.

14 Called up share capital

	2018	2017
	£	£
Allotted, called up and fully paid		
Ordinary shares of £1 each	**30,039,302**	30,039,302

15 Financial commitments

Annual commitments under non-cancellable operating leases are as follows:

	2018		2017	
	Land and Buildings	**Other**	Land and Buildings	Other
	£000	**£000**	£000	£000
Expiry date				
- within one year	11	**26**	39	93
- between two and five years	**0**	**39**	11	285
	11	**65**	50	378

Notes *(continued)*

16 Pension scheme

The Company operates the AEG Power Solutions Stakeholder scheme, a defined contribution scheme. The pension charge relating to contributions paid by the Company into this scheme was £92,344 *(2017: £118,596)*.

The outstanding contributions at the end of this year was £8,951 and the full amount was paid on 2 January 2019. The outstanding contributions at the end of the prior year was £18,559, *of* which £17,835 was paid on 11 January, 2018 and £724 on 21 August, 2018.

17 Ultimate parent company and parent undertaking of largest group of which the Company is a member

The Company is a wholly owned subsidiary undertaking of AEG Power Solutions BV, a company registered in the Netherlands. AEG Power Solutions BV is wholly owned by 3W Power S.A. (formerly 3W Power Holdings S.A.), registered in Luxembourg.

The largest group in which the results of the Company are consolidated is that headed by 3W Power S.A. No other group financial statements include the results of the Company. The consolidated financial statements of 3W Power S.A. may be obtained from 19 Rue Eugene Ruppert, L-2453, Luxembourg.