AGCO SERVICES LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

REGISTERED NUMBER: 00509134

AGCO SERVICES LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

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AGCO SERVICES LIMITED

DIRECTORS AND COMPANY INFORMATION

Directors:	A.C. Frost C.M. McGeever-Cattell (resigned 1 October 2022) M.L. Sharman (appointed 1 October 2022)
Secretary:	R.N. Batkin
Registered Office:	Abbey Park Stoneleigh Kenilworth Warwickshire CV8 2TQ
Registered number:	00509134
Auditor:	KPMG LLP Chartered Accountants and Registered Auditor One Snowhill Snow Hill Queensway Birmingham B4 6GH
Bank:	J. P. Morgan Chase Bank N.A 25 Bank Street London E14 5JP

AGCO SERVICES LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Business review and principal activities

The principal activity of AGCO Services Limited (the "Company") continues to be the provision of treasury services to the AGCO International Holdings B.V. group (the "Group"), a parent of the Company, incorporated in the Netherlands.

Previously the Company took deposits from group companies and provided short and longer-term funding to operational businesses within the Group. Excess funds were invested using deposits of up to one week with financial institutions with at least an "A" credit rating by Standard & Poor's Rating Services.

In February 2019, the Group determined to simplify its regional funding arrangements by transitioning the Company's funding activities to AGCO International GmbH ("AIG"), an intermediate parent undertaking registered in Switzerland. This change resulted in the settlement of a portion of the Company's short term loan book, in accordance with the provisions of those facilities. Existing long-term facilities continue to be provided by the Company until their expiration date.

Since this date, the majority of the short-term loans with intra-group companies have been settled and new facilities are now provided by AIG. As at 31 December 2022, the Company has continued to settle its short term loan books in accordance with the provisions of the relevant facilities, which has seen current liabilities continue to decrease to €191,941,000 (2021 restated: €506,211,000) and current assets – excluding debtors amount falling due after one year – fall to €256,610,000 (2021 restated: €1,112,749,000).

The Company's Statement of Income on page 12, indicates that, its revenue for the year has decreased to €12,694,000 (2021: €17,012,000), due to the settlement of the short term and long-term loans. Cost of sales, which consists of mainly interest payable and foreign exchanges, has decreased to €1,304,000 (2021: €16,274,000), this is linked to gain on foreign exchange rates combined with a reduction on interest payable, as a result the Company has incurred a profit after taxation of €10,047,000 (2021: loss after taxation of €569,000).

As at 31 December 2022, the Company's net assets have increased to €64,669,000 (2021: €54,622,000). Net current assets have decreased to €64,669,000 (2021: €809,096,000 (Restated, see note 16)), which is primarily linked to the settlement of inter-company loan balances.

Business review and principal activities *(continued)*

The Company is a wholly owned subsidiary of AGCO International Limited, a company incorporated in the United Kingdom ("UK"). The ultimate parent undertaking and controlling party is AGCO Corporation, a SEC registered company incorporated in the United States of America ("USA").

Going concern

The directors have assessed the effects and impact of the current economic environment on the Company's operations, financial resources and, the going concern assumption.

The Company holds deposits from group companies and provides short and long-term funding to businesses within the Group. As at 31 December 2022, the Company made a profit after taxation of €10,047,000 (2021: loss after taxation of €569,000) and has net assets of €64,669,000 (2021: €54,622,000).

The directors have prepared monthly cashflow forecasts for a period of 12 months from the date of approval of the financial statements. At the end of the forecast period, the Company is cash generative, with financial headroom to fund any obligations arising.

In addition to its own cash reserves, the Company has access to a group cash pooling agreement with AIG. As at 31 December 2022, the Company had a cash pooling creditor balance of €23,434,000. Through other Group companies, the Company also has access via the cash pool to a revolving credit facility (total facility value $1.25billion).

The assessment of the directors with regard to the going concern basis of preparation is subject to the group cash pooling facility being available. At the date of approval of the financial statements, the directors have no reason to believe that the aforementioned facility will not be available. It should also be noted that in the current year, due to the Company being profitable, it is not reliant on the facility. In forming their conclusion, the directors have made appropriate inquiries of the parent group as to its latest results and financial position and have not identified any matters which impact its conclusions regarding the ability of the Company to continue as a going concern.

Although the current intra-group facilities in place at the date of this letter are set expire in 2024, the directors have the intention and ability to continue in the business of intra-group financing trade for the foreseeable future, either by extending the expiration date of the existing loans or by providing new loans to intra-group companies.

After considering the entity's balance sheet as at the year-end alongside its cash flow projections, and in conjunction with the availability of funding from other Group companies, the directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Key performance indicators

The main key performance indicators (KPIs) regularly monitored by the Company are as follows:

	2022	2021 (Restated See note 16)
Gross profit / (loss) percentage	89.7%	4.3%
Ratio of current assets to current liabilities*	1.34	2.19

*Current assets are not including Debtors amounts falling due after one year.

Gross profit percentage increase from 4.3% in 2021 to 89.7% in 2022 is a result of the gains on foreign exchange in 2022 of €9,637,835 (2021: €1,352,000) reducing substantially the cost of sales.

The current assets – excluding debtors amounts falling due after one year – to current liabilities ratio decreased from 2.19 (Restated, see note 16) in 2021 to 1.34 in 2022 due to the settlement of short-term loans reducing the amount of receivables and payables.

Principal risks and uncertainties

The principal uncertainties are interest rate fluctuations and exchange rate movement.

Statement by the directors in relation to performance of their statutory duties in accordance with Section 172(1) Companies Act 2006

Section 172 of the Companies Act 2006, requires directors to take into consideration the interests of stakeholders in their decision-making having regard to the matters set out in Section 172(1) (a)-(f). The following section sets out how the directors have engaged with the Company's stakeholders during the year.

The Company is wholly owned by AGCO International Limited, and the directors consider the impact of the Company's activities on its immediate parent. Any decisions taken will be aligned to the strategy and standards of the Group and be made in the best interests of all stakeholders.

The Company has no employees or customers. The Company provides treasury services to the Group and consequently have intra-group customers and intra-group suppliers. The directors consider the impact of the Company's activities on the Group and other stakeholders. The Company's stakeholders are consulted routinely on funding decisions and compliance with Group policies with the aim of maximising returns on amounts advanced or deposited for the benefit of its shareholder.

Statement by the directors in relation to performance of their statutory duties in accordance with Section 172(1) Companies Act 2006 (continued)

The Company engages with its stakeholders on an ad hoc basis on requests for additional funding. The directors assess such requests in light of the Company's minimum capital requirements to maintain profitability in the long term.

By order of the board:

DocuSigned by:
Adam Frost
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A.C. Frost
Director
Abbey Park
Stoneleigh
Kenilworth
Warwickshire
CV8 2TQ

24 November 2023

AGCO SERVICES LIMITED

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their Annual Report and the audited financial statements for the year ended 31 December 2022.

Results and dividends

The Statement of Income for the year is set out on page 12. The directors do not recommend the payment of a dividend 2022: €Nil.

Political contributions

The Company made no political donations or incurred any political expenditure during the year or in the previous year.

Directors

The directors during the year under review, and up to the date of signing the financial statements were:

A.C. Frost
C.M. McGeever-Cattell (resigned 1 October 2022)
M.L. Sharman (appointed 1 October 2022)

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 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 auditor is aware of that information.

Other information

An indication of likely future developments in the business and particulars of significant events which have occurred since the end of the financial year have been included in the Strategic Report above.

Auditor

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

On behalf of the board:

DocuSigned by:
Adam Frost
08233E4AF86B438...

A.C. Frost
Director
Abbey Park
Stoneleigh
Kenilworth
Warwickshire
CV8 2TQ

24 November 2023

AGCO SERVICES LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ANNUAL REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Strategic Report, 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), including *FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.*

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 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;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations or have no realistic alternative but to do so.

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 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, and 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.

Independent auditor's report to the members of AGCO Services Limited

Opinion

We have audited the financial statements of AGCO Services Limited ("the Company") for the year ended 31 December 2022 which comprise the Statement of income, Balance sheet, Statement of changes in equity and related notes, including the accounting policies in note 4.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors, internal audit, other key management personnel and inspection of policy documentation as to the Company's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Company's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards and taking into account our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because the interest receivable from the provision of treasury services to the Group is a mechanical calculation, simple in nature, and is recognised at the end of each month based on the daily receivable balances and interest charged according to the agreements in place.

We did not identify any additional fraud risks.

In determining the audit procedures, we took into account the results of our evaluation and testing of the operating effectiveness of the Company-wide fraud risk management controls.

We performed procedures including identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. The risk criteria included those posted to unusual accounts, those posted by key managerial personnel, those containing reference to key managerial personnel, those posted to seldom used accounts with no description, those posted by unexpected user IDs, and those with descriptions which included certain key words.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors and other management (as required by auditing standards), and from inspection of the Company's regulatory and legal correspondence and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

Independent auditor's report to the members of AGCO Services Limited (*Continued*)

The potential effect of these laws and regulations on the financial statements varies considerably.

The Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation, and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following area as the most likely to have such an effect: anti-bribery and corruption, recognising the nature of the Company's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation.
Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Independent auditor's report to the members of AGCO Services Limited (*Continued*)

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 7, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; 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; 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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.

Chris Cole

Chris Cole (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
One Snowhill
Snow Hill Queensway
Birmingham
B4 6GH
United Kingdom

27 ~~24~~ November 2023

AGCO SERVICES LIMITED

STATEMENT OF INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 €'000	2021 €'000
Revenue	5	**12,694**	17,012
Cost of sales	8	**(1,304)**	(16,274)
Gross profit		**11,390**	738
Administrative expenses		**(5)**	(14)
Profit before taxation		**11,385**	724
Tax on profits	9	**(1,338)**	(1,293)
Profit/(loss) for the financial year, being total comprehensive loss		**10,047**	(569)

There are no recognised gains or losses for the current or preceding year other than as shown above.

All amounts above relate to continuing activities.

Notes on pages 15 to 24 form an integral part of the financial statements.

AGCO SERVICES LIMITED

BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 €'000	2021 €'000 (Restated See Note 16)
Current assets			
Debtors: amounts falling due within one year	10	**256,593**	1,112,368
Debtors: amounts falling due after one year	10	**-**	202,558
Cash at bank and in hand		**17**	381
		256,610	1,315,307
Creditors: amounts falling due within one year	11	**(191,941)**	(506,211)
Net current assets		**64,669**	809,096
Creditors: amounts falling due after one year	12	**-**	(754,474)
Net assets		**64,669**	54,622
Capital and reserves			
Called-up share capital	13	**10,535**	10,535
Share premium account		**3,742**	3,742
Profit and loss account		**50,392**	40,345
Total equity		**64,669**	54,622

Notes on pages 15 to 24 form an integral part of the financial statements.

These financial statements were approved by the board of directors on 24 November 2023 and were signed on its behalf by:

DocuSigned by:
Adam Frost
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A.C. Frost
Director

Company number: 00509134 **24 November 2023**

AGCO SERVICES LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022

	Called up share capital €'000	Share premium account €'000	Profit and loss account €'000	Total €'000
Balance at 1 January 2021	10,535	3,742	40,914	55,191
Total comprehensive loss for the year				
Loss for the year	-	-	(569)	(569)
Total comprehensive loss for the year	-	-	(569)	(569)
Balance at 31 December 2021	10,535	3,742	40,345	54,622
Balance at 1 January 2022	**10,535**	**3,742**	**40,345**	**54,622**
Total comprehensive profit for the year				
Profit for the year	-	-	**10,047**	**10,047**
Total comprehensive profit for the year	-	-	**10,047**	**10,047**
Balance at 31 December 2022	**10,535**	**3,742**	**50,392**	**64,669**

Notes on pages 15 to 24 form an integral part of the financial statements.

1 Reporting entity

AGCO Services Limited (the "Company") is incorporated in the UK and its registered number is 00509134. The address of the Company's registered office is Abbey Park, Stoneleigh, Kenilworth, Warwickshire, CV8 2TQ.

The principal activity of the Company continues to be the provision of treasury services to the AGCO International Holdings B.V. group (the "Group"), a parent of the Company incorporated in the Netherlands.

The immediate parent undertaking and controlling party is AGCO International Limited ("AIL"). The ultimate parent undertaking and controlling party is AGCO Corporation.

2. Basis of preparation

The financial statements have been prepared in accordance with applicable UK accounting standards, including Financial Reporting Standard 102 – *'The Financial Reporting Standard applicable in the UK and Republic of Ireland'* ("FRS 102"), and with the Companies Act 2006.

The financial statements have been prepared on the historical cost basis except for the modification to a fair value basis for certain financial instruments as specified in the accounting policies below.

The financial statements are presented in Euros (€), rounded to the nearest €1,000.

The Company is consolidated within the consolidated financial statements of AGCO Corporation. Copies of the consolidated financial statements of AGCO Corporation may be obtained from its principal executive offices at 4205 River Green Parkway, Duluth, Georgia, 30096, USA.

In these financial statements, the Company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- The requirement to present a statement of cash flows and related notes.
- Reconciliation of the number of shares outstanding from beginning to end of the period.
- Key management personnel compensation.

As the consolidated financial statements of AGCO Corporation include the disclosures equivalent to those required by FRS 102, the Company has also taken the exemptions available in respect of the following disclosures:

- Certain disclosures required by *FRS 102.26 Share Based Payments*; and,
- Certain disclosures required by *FRS 102.11 Basic Financial Instruments* and *FRS 102.12 Other Financial Instrument Issues* in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

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

2. Basis of preparation *(continued)*

Going concern

The directors have assessed the effects and impact of the current economic environment on the Company's operations, financial resources and in particular, the going concern assumption. The Company holds deposits from group companies and provides short and long-term funding to businesses within the Group. As at 31 December 2022, the Company made a profit after taxation of €10,047,000 (2021: loss after taxation of €569,000) and has net assets of €64,669,000 (2021: €54,622,000).

The directors have prepared monthly cashflow forecasts for a period of 12 months from the date of approval of the financial statements. At the end of the forecast period, the Company is cash generative, with financial headroom to fund any obligations arising.

In addition to its own cash reserves, the Company has access to a group cash pooling agreement with AIG. As at 31 December 2022, the Company had a cash pooling creditor balance of €23,434,000. Through other Group companies, the Company also has access via the cash pool to a revolving credit facility (total facility value $1.25billion).

The assessment of the directors with regard to the going concern basis of preparation is subject to the group cash pooling facility being available. At the date of approval of the financial statements, the directors have no reason to believe that the aforementioned facility will not be available. It should also be noted that in the current year, due to the Company being profitable, it is not reliant on the facility. In forming their conclusion, the directors have made appropriate inquiries of the parent group as to its latest results and financial position and have not identified any matters which impact its conclusions regarding the ability of the Company to continue as a going concern.

Although the current intra-group facilities in place at the date of this letter are set expire in 2024, the directors have the intention and ability to continue in the business of intra-group financing trade for the foreseeable future, either by extending the expiration date of the existing loans or by providing new loans to intra-group companies.

After considering the entity's balance sheet as at the year-end alongside its cash flow projections, and in conjunction with the availability of funding from other Group companies, the directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

3. Significant judgements and estimates

The preparation of financial statements in conformity with FRS 102 requires management to make significant judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimates are revised and in any future periods affected. The directors have reviewed the estimates and underlying assumptions used in preparing these accounts and in their opinion, there are no critical estimates or judgements to disclose.

4. Principal accounting policies

a. Classification of financial instruments issued by the Company

In accordance with FRS 102.22, financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

(i) they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company; and

(ii) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

b. Functional currency

The functional currency of the Company is Euros, this is due to the fact that the majority of the Company's transactions are completed in Euros.

c. Debtors

Short term debtors are measured at transaction price, less any impairment. Loans to other group companies are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective market-based interest method, less any impairment.

4. Principal accounting policies *(continued)*

d. Creditors

Short term creditors are measured at transaction price. Loans from other group companies are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective market-based interest method, less any impairment.

e. Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

f. Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the statement of income except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries, to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

4. Principal accounting policies *(continued)*

f. Taxation *(continued)*

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that is it probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

g. Revenue

Revenue is measured at the fair value of the consideration received or receivable. Revenue includes interest receivable from the provision of treasury services to the Group. Revenue is recognised at the end of each month based on the daily receivable balances and interest charged according to the agreement in place.

h. Cost of sales

Cost of sales is measured at the fair value of the consideration paid or payable. Cost of Sales includes interest payable from the provision of treasury services to the Group. Cost of Sales is recognised at the end of each month based on the daily payable balances and interest charged according to the agreement in place, and net foreign exchange losses that are recognised in the profit and loss account (see foreign currency accounting policy).

i. Foreign exchange

Transactions in foreign currencies are translated to the Company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the statement of income.

5. Revenue

Revenue is analysed by geographical market as follows:

	2022 €'000	2022 %	2021 €'000	2021 %
UK	4,895	38.6	4,407	25.9
Rest of Europe	7,217	56.8	10,852	63.8
Rest of World	582	4.6	1,753	10.3
	12,694	100.0	17,012	100.0

5. Revenue (continued)

All revenue arises from the Company's single class of business and is interest receivable from the provision of treasury services to the group.

	2022	2021
	€'000	€'000
Interest receivable	**12,694**	17,012
	12,694	17,012
Amounts received from third party	-	-
Amounts received from group undertakings	**12,694**	17,012
	12,694	17,012

6. Auditor's remuneration

There is no charge to the Statement of Income in respect of the auditor's remuneration as the audit fee, as detailed below, was paid by another group company.

	2022	2021
	€'000	€'000
Auditor's remuneration for audit of these financial statements	**11**	12

No payment was made by the Company to the auditors in respect of non-audit services during the current year (2021: €Nil).

7. Directors and employees

The directors are employed, and remuneration is paid by another group company. The allocation of remuneration for qualifying services provided to the Company during the year is negligible (2021: Negligible).

The Company has no employees and no staff costs.

8. Cost of sales

All cost of sales arises from the Company's single class of business and comprises interest payable from the provision of treasury services to the Group.

	2022 €'000	2021 €'000
Interest payable and similar expenses	1,304	16,274
	1,304	16,274
Amounts paid to third parties	1	8
Amounts paid to group undertakings	10,941	14,914
Exchange (gain)/ losses	(9,638)	1,352
	1,304	16,274

9. Taxation

Total tax expense recognised in the Statement of Income

	2022 €'000	€'000	2021 €'000	€'000
Current tax:				
Current tax on income for the year	1,338		1,293	
Adjustment in respect of prior periods	-		-	
Total current tax expense		1,338		1,293

	2022 €'000 Current Tax	€'000 Total Tax	2021 €'000 Current Tax	€'000 Total Tax
Recognised in:				
Statement of Income	1,338	1,338	1,293	1,293
	1,338	1,338	1,293	1,293

9. Taxation *(continued)*

Analysis of current tax recognised in Statement of Income

	2022 €'000	2021 €'000
UK corporation tax	1,082	138
Double tax relief	(183)	(138)
Foreign tax	439	1,293
	1,338	1,293

Reconciliation of effective tax rate
The current tax charge for the year is lower (2021: higher) than the standard rate of corporation tax in the UK of 19% (2021:19%). The differences are explained below:

	2022 €'000	2021 €'000
Profit for the year	10,047	(569)
Total tax expense	1,338	1,293
Profit excluding taxation	11,385	724
Tax using the UK corporation tax rate of 19% (2021: 19%)	2,163	138
Non-deductible expenses	256	1,155
Group relief for no payment	(1,081)	-
Adjustment in respect of prior years	-	-
Total tax expense included in Statement of Income	1,338	1,293

An increase in the UK corporation tax rate from 19% to 25% (effective from 1 April 2023) was substantively enacted on 10 June 2021.

10. Debtors

	2022 €'000	2021 €'000 (Restated See note 16)
Amounts falling due within one year:		
Amounts owed by group undertakings	255,200	1,112,368
Other receivables	1,393	-
	256,593	1,112,368
Amounts falling due after one year:		
Amounts owed by group undertakings	-	202,558
	256,593	1,314,926

11. Creditors: amounts falling due within one year

	2022 €'000	2021 €'000 (Restated See note 16)
Amounts owed to group undertakings	191,941	506,211
	191,941	506,211

12. Creditors: amounts falling due after one year

	2022 €'000	2021 €'000 (Restated See note 16)
Amounts owed to group undertakings	-	754,474
	-	754,474

The amounts owed to Valtra Oy AB, AGCO Distribution SAS, AGCO Deutschland GmbH and AGCO Italia SPA have been settled on 28 June 2022. The amounts owed to AGCO Limited have been settled on 20 December 2022.

13. Called-up share capital

	2022 €'000	2021 €'000
Allotted, called-up and fully-paid:		
8,217,596 ordinary shares of £1 each	10,535	10,535

The share capital has been translated at the historic rate of €1.2821 in May 1994.

14. Related party transactions

AGCO Corporation is required to publish consolidated financial statements incorporating the results of the Company and consequently, in accordance with FRS 102 (section 33.1A), transactions with group entities are not disclosed within these financial statements. AGCO Corporation is established under the law of the USA. There are no other related party transactions.

15. Ultimate parent undertaking and controlling party

The immediate parent undertaking and controlling party is AGCO International Limited, a company whose registered office is at Abbey Park, Stoneleigh, Kenilworth, CV8 2TQ, UK.

The ultimate parent undertaking and controlling party is AGCO Corporation, a company whose principal executive offices are at 4205 River Green Parkway, Duluth, Georgia, 30096, USA. Copies of the consolidated financial statements can be obtained from AGCO Corporation at the above address.

16. Prior year restatement

During the year ended December 31, 2022, the Company identified the following adjustments to amounts due to / from group undertakings in the financial statements for December 31, 2021: 1) debtors due within one year of €227,107,000 and debtors due after one year of €119,152,000 had been netted with the creditors due within one year balance. The debtor and creditor balances should have been presented on a gross basis; and 2) a creditor due within one year balance of €119,152,000 had been presented as a creditor due after one year.

As a result, the debtors due within one year balance was understated by €227,107,000, the debtors due after one year balance was understated by €119,152,000, the creditors due within one year balance was understated by €465,411,000, and the creditors due after one year balance was overstated by €119,152,000. The Company adjusted the Balance Sheet in the current period and has restated the prior year comparative figures. This change in presentation has not resulted in any change to profit/(loss) to either the current or prior year and had no impact on the opening net assets at 1 January 2021 or net assets at 31 December 2021.

		2021 €'000 (As reported)	Adjustments €'000 Offsetting	Adjustments €'000 Classification	2021 €'000 (Restated)
Current assets					
Debtors: amounts falling due within one year	10	885,261	227,107	-	1,112,368
Debtors: amounts falling due after one year	10	83,406	119,152	-	202,558
Cash at bank and in hand		381	-	-	381
		969,048	346,259	-	1,315,307
Creditors: amounts falling due within one year	11	(40,800)	(346,259)	(119,152)	(506,211)
Net current assets		928,248	-	(119,152)	809,096
Creditors: amounts falling due after one year	12	(873,626)	-	119,152	(754,474)
Net assets		54,622	-	-	54,622
Capital and reserves					
Called-up share capital	13	10,535	-	-	10,535
Share premium account		3,742	-	-	3,742
Profit and loss account		40,345	-	-	40,345
Total equity		54,622	-	-	54,622