



Financial Statements

GHL Liftrucks Limited

For the Year Ended 31 December 2011



Company No. 1379041

Company information

Company registration number	1379041
Registered office	Unit 10 Hewitts Industrial Estate Elmbridge Road Cranleigh Surrey GU6 8LW
Directors	D Alger S Law M Sheldon
Secretary	M Sheldon
Bankers	Royal Bank of Scotland Plc London
Solicitors	Buss Murton Solicitors Tunbridge Wells
Auditor	Grant Thornton UK LLP Chartered Accountants Registered Auditor Central Milton Keynes

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Report of the directors

The directors present their report and the financial statements of the company for the year ended 31 December 2011

Principal activities and business review

The company is principally engaged in the sale, hire and maintenance of forklift trucks, plant and associated equipment

There was a profit for the year after taxation amounting to £344,518 (2010 £219,864) No dividend was paid during the year (2010 £nil)

Summary of key performance indicators

The company uses a variety of financial and non-financial indicators to monitor performance versus budget and prior year The principal indicators are

	2011	2010
Sales growth	8.33 %	8.77%
Operating profit margin	4.32 %	2.97%

Sales and margins remain under pressure due to the continuing economic uncertainty and the company is investing in its sales force in order to strengthen its position in the market place, while constantly monitoring its cost base

The other key performance indicators include labour efficiencies, unit sales, order intake, salesman performance and margin analysis by region and business sector

Future developments for the business

The company continues to look at diversification in non-core activities to secure future growth It has also continued to invest in core activities to ensure the company is positioned to take advantage of any economic upturn

The company renewed its banking facilities in January 2012 and, based on a review of the company's forecasts, the directors are satisfied that the company will be able to operate within those facilities and settle its debts as they fall due for 12 months from the date of signing these financial statements

Principal risks and uncertainties

The management of the business and the nature of the company's strategy are subject to a number of risks

The directors set out below the principal risks facing the business

Competition

Competition remains very strong in the markets occupied by the company We continue to develop the product and widen the services we offer, in order to strengthen our market position

Report of the directors (continued)

Economic Downturn

The slow-down in the economy has reduced the potential market for capital equipment. This is being addressed through an active marketing campaign, an effective sales presence in the marketplace and competitive pricing.

Cost Inflation

The company continues to review and benchmark its cost base, in order to ensure its competitiveness in the market place, through constant review of existing suppliers and by keeping an open dialogue with alternative sources of supply.

Financial risk management

The company uses various financial instruments including cash, finance leases, loans and items such as trade debtors and trade creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the company's operations.

The existence of these financial instruments exposes the company to a number of financial risks. The main risks arising from these financial instruments are currency risk, credit risk, interest rate risk and liquidity risk.

Currency risk

The company is exposed to foreign currency risk as it purchases trucks from its principal supplier in US \$. It limits this exposure through the use of forward purchase contracts.

Credit risk

The company's principal financial assets are cash and trade debtors. The credit risk associated with cash is minimal and so the principal credit risk arises on trade debtors. The company manages this risk by carrying out credit checks on new customers, setting credit limits for each customer and regular review of each debtor account. The overall credit risk is limited as no customer accounts for more than 10% of the company's sales.

Interest rate risk

The interest rates on the bank facilities are variable in line with the bank rate but the company's exposure to interest rate fluctuations is limited by the use of fixed rate finance leases.

Liquidity risk

The company seeks to manage liquidity risk by ensuring that sufficient liquidity is available to meet forecast needs. Short term flexibility is achieved through the use of an overdraft facility, letters of credit and import loans.

Directors

The directors who served the company during the year were as follows:

D Alger
S Law
M Sheldon

Report of the directors (continued)

Statement of directors' responsibilities

The directors are responsible for preparing 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 Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The financial statements are required by law to 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records that 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.

In so far as the directors are aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Donations

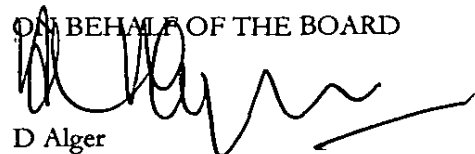
During the year the company made the following contributions

	2011 £	2010 £
Charitable donations	-	100

Auditor

Grant Thornton UK LLP offer themselves for reappointment as auditor in accordance with section 485 of the Companies Act 2006

ON BEHALF OF THE BOARD



D Alger
Director

Report of the independent auditor to the members of GHL Liftrucks Limited

We have audited the financial statements of GHL Liftrucks Limited for the year ended 31 December 2011 which comprise the principal accounting policies, the profit and loss account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Statement of directors' responsibilities set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2011 and of the company's profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Report of the independent auditor to the members of GHL Liftrucks Limited (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

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

Grant Thornton UK LLP

Simon Jones
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP,
Statutory Auditor, Chartered Accountants

Central Milton Keynes

31 July 2012

Principal accounting policies

Basis of accounting

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost convention

The accounting policies remain unchanged from the previous year

Consolidation

The company is a wholly owned subsidiary of a UK company which produces group accounts. The company has therefore taken advantage of the exemption provided by Section 400 of the Companies Act 2006 not to prepare group accounts.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes a consolidated cash flow statement.

Turnover

Turnover shown in the profit and loss account represents income recognised during the year for goods supplied and services provided. Income from truck sales is recognised on despatch. Rental income from operating leases, excluding charges for services provided, is recognised on a straight line basis over the period of the lease. Service income is recognised over the period of the service.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, excluding freehold land, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold buildings	10% straight line
Short leasehold land and buildings	Period of lease
Plant and machinery	10 - 50% straight line

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Work in progress

Work in progress is stated at the lower of cost and net realisable value.

Principal accounting policies (continued)

Leased assets

Lessee

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and depreciated over their expected useful economic lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the profit and loss account over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the profit and loss account on a straight line basis over the lease term.

Lessor

Assets held for use in operating leases by the company are capitalised as fixed assets and depreciated over their useful economic life. Rental income from operating leases, excluding charges for services, are recognised on a straight-line basis over the period of the lease.

Provision for liabilities and charges

Where a warranty is granted on the sale of a truck, a provision is created in respect of the warranty costs estimated to arise over the warranty period.

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

Deferred taxation

Deferred taxation is recognised on all timing differences where the transactions or events that give the company an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date, unless covered by forward exchange contracts. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

Principal accounting policies (continued)

Financial Instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Profit and loss account

	Note	2011 £	2010 £
Turnover	1	13,256,011	12,236,935
Operating costs:			
Change in stocks of finished goods and work in progress		(293,642)	57,135
Raw materials and consumables		6,040,236	4,970,231
Other external charges		313,786	252,782
Staff costs	2	3,900,484	4,007,888
Depreciation written off fixed assets	3	726,171	597,746
Other operating charges	3	1,996,577	1,987,820
Operating profit	3	572,399	363,333
Interest receivable		922	1,894
Interest payable and similar charges	5	(94,455)	(66,702)
Profit on ordinary activities before taxation		478,866	298,525
Tax on profit on ordinary activities	6	134,348	78,661
Profit for the financial year	19	344,518	219,864

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the year as set out above

The accompanying accounting policies and notes form part of these financial statements.

Balance sheet

	Note	2011 £	2010 £
Fixed assets			
Tangible assets	7	2,294,875	2,158,794
Investments	8	100	100
		<u>2,294,975</u>	<u>2,158,894</u>
Current assets			
Stocks	9	1,528,350	1,234,708
Debtors	10	1,820,303	1,858,529
Cash at bank and in hand		396,338	166,017
		<u>3,744,991</u>	<u>3,259,254</u>
Creditors: amounts falling due within one year	11	<u>(3,166,448)</u>	<u>(2,677,119)</u>
Net current assets		<u>578,543</u>	<u>582,135</u>
Total assets less current liabilities		<u>2,873,518</u>	<u>2,741,029</u>
Creditors: amounts falling due after more than one year	12	<u>(1,286,038)</u>	<u>(1,499,334)</u>
Provisions for liabilities			
Provisions for liabilities and charges	15	<u>(184,740)</u>	<u>(183,473)</u>
		<u>1,402,740</u>	<u>1,058,222</u>
Capital and reserves			
Called-up equity share capital	18	100,000	100,000
Profit and loss account	19	1,302,740	958,222
Shareholders' funds	20	<u>1,402,740</u>	<u>1,058,222</u>

These financial statements were approved by the board on 26 July 2012 and authorised for issue and are signed on their behalf by



D Alger
Director

Company number: 1379041

The accompanying accounting policies and notes form part of these financial statements.

Notes to the financial statements

1 Turnover

The turnover and profit before tax are attributable to the one principal activity of the company
 An analysis of turnover is given below

	2011 £	2010 £
United Kingdom	<u>13,256,011</u>	<u>12,236,935</u>

Turnover includes income from operating leases of approximately £1,360,175 (2010 £1,374,179)

2 Staff costs

The average number of staff employed by the company during the financial year amounted to

	2011 No	2010 No
Operational	98	100
Office administration and clerical	<u>37</u>	<u>41</u>
	<u>135</u>	<u>141</u>

The aggregate payroll costs of the above were

	2011 £	2010 £
Wages and salaries	3,515,606	3,580,358
Social security costs	353,148	394,375
Other pension costs	<u>31,730</u>	<u>33,155</u>
	<u>3,900,484</u>	<u>4,007,888</u>

Notes to the financial statements (continued)

3 Operating profit

Operating profit is stated after charging:

	2011 £	2010 £
Depreciation of owned fixed assets	360,912	316,963
Depreciation of assets held under finance leases and hire purchase agreements	365,259	280,783
Profit on sale of tangible fixed assets	(26,929)	(18,916)
Auditor's remuneration		
Audit fees	15,900	15,450
Non audit fees - tax services	2,500	3,070
Operating lease costs		
Plant and equipment	-	8,508
Land and buildings	<u>158,539</u>	<u>182,539</u>

4 Directors

Remuneration in respect of directors was as follows

	2011 £	2010 £
Emoluments	286,967	285,073
Value of company pension contributions to money purchase schemes	<u>14,369</u>	<u>14,369</u>
	<u>301,336</u>	<u>299,442</u>

Emoluments of highest paid director

	2011 £	2010 £
Total emoluments (excluding pension contributions)	<u>112,488</u>	<u>110,854</u>

The number of directors who accrued benefits under company pension schemes was as follows

	2011 No	2010 No
Money purchase schemes	<u>2</u>	<u>2</u>

Included within other operating charges is a management charge payable to GHL Holdings Limited for the salaries of the directors of GHL Liftrucks Limited. The emoluments relating to these directors are shown above.

Notes to the financial statements (continued)

5 Interest payable and similar charges

	2011 £	2010 £
Interest payable on bank borrowing	32,494	15,396
Finance charges	61,961	51,306
	<u>94,455</u>	<u>66,702</u>

6 Taxation on ordinary activities

(a) Analysis of charge in the year

	2011 £	2010 £
Current tax		
UK Corporation tax based on the results for the year at 26.49% (2010: 28%)	129,993	52,939
Over provision in prior year	(252)	(2,133)
Total current tax	<u>129,741</u>	<u>50,806</u>
Deferred tax		
Origination and reversal of timing differences	(1,985)	27,855
Effect of tax rate change on opening balance	6,592	-
Total deferred tax charge	<u>4,607</u>	<u>27,855</u>
Tax on profit on ordinary activities	<u>134,348</u>	<u>78,661</u>

(b) Factors affecting current tax charge

	2011 £	2010 £
Profit on ordinary activities before taxation	<u>478,866</u>	<u>298,525</u>
Profit on ordinary activities multiplied by rate of tax	126,867	83,585
Capital allowances greater than depreciation	2,235	(27,758)
Expenses not deductible for tax purposes	4,847	6,448
Other timing differences	(132)	(97)
Tax rate adjustment	(3,824)	(9,239)
Adjustments to tax charge in respect of previous periods	(252)	(2,133)
Total current tax (note 6(a))	<u>129,741</u>	<u>50,806</u>

Notes to the financial statements (continued)

7 Tangible fixed assets

	Freehold land and buildings £	Short leasehold land and buildings £	Plant and machinery £	Total £
Cost				
At 1 January 2011	307,078	73,949	5,076,512	5,457,539
Additions	1,220	-	888,627	889,847
Disposals	-	-	(887,418)	(887,418)
At 31 December 2011	<u>308,298</u>	<u>73,949</u>	<u>5,077,721</u>	<u>5,459,968</u>
Depreciation				
At 1 January 2011	95,873	73,949	3,128,922	3,298,744
Charge for the year	8,538	-	717,633	726,171
On disposals	-	-	(859,821)	(859,821)
At 31 December 2011	<u>104,411</u>	<u>73,949</u>	<u>2,986,734</u>	<u>3,165,094</u>
Net book value				
At 31 December 2011	<u>203,887</u>	<u>-</u>	<u>2,090,988</u>	<u>2,294,875</u>
At 31 December 2010	<u>211,205</u>	<u>-</u>	<u>1,947,589</u>	<u>2,158,794</u>

The figures stated above include assets for use in operating leases as follows

	2011 £	2010 £
Cost	2,894,549	2,705,412
Accumulated depreciation	<u>1,810,269</u>	<u>1,518,095</u>
Net book amount	<u>1,084,280</u>	<u>1,187,317</u>

Included within the net book value of £2,294,875 is £1,560,436 (2010 £1,686,816) relating to assets held under finance leases and hire purchase agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £365,259 (2010 £280,783).

Notes to the financial statements (continued)

8 Investments

	Investment in subsidiaries £
Cost and net book amount At 1 January 2011 and 31 December 2011	<u>100</u>

At 31 December 2011 the company held 100% of the ordinary share capital of Puma Forklifts Limited, Grant Handling Limited, Heli Liftrucks Limited, GHL Engineering Services Limited and Panther Liftrucks Limited. The capital and reserves of these companies at 31 December 2011 were £100, £100, £100, £100 and £62,911 respectively. All the companies were dormant throughout the year.

Consolidated financial statements of the company and the above wholly owned non-trading subsidiary undertakings, which are all registered in England and Wales, have not been prepared as the company is itself a wholly owned subsidiary undertaking of GHL Holdings Limited.

9 Stocks

	2011 £	2010 £
Fuel and spares	337,976	325,553
Work in progress	148,430	181,526
Finished goods	<u>1,041,944</u>	<u>727,629</u>
	<u>1,528,350</u>	<u>1,234,708</u>

10 Debtors

	2011 £	2010 £
Trade debtors	1,519,919	1,549,112
Other debtors	6,022	8,438
Deferred tax	56,920	61,528
Prepayments and accrued income	<u>237,442</u>	<u>239,451</u>
	<u>1,820,303</u>	<u>1,858,529</u>

The deferred tax asset consists of the tax effect of timing differences in respect of

	2011 £	2010 £
Capital allowances less than depreciation	<u>56,920</u>	<u>61,528</u>

Notes to the financial statements (continued)

11 Creditors: amounts falling due within one year

	2011 £	2010 £
Bank overdrafts	123,501	50,435
Trade creditors	1,604,666	1,307,271
Corporation tax	130,202	52,939
Other taxation and social security	138,615	290,587
Amounts due under finance leases and hire purchase agreements	519,396	557,489
Other creditors	1,340	898
Pension contributions	7,998	8,496
Accruals and deferred income	640,730	409,004
	<u>3,166,448</u>	<u>2,677,119</u>

The bank overdraft is secured by a fixed and floating charge over the company's assets and is guaranteed by the ultimate parent undertaking. Finance leases are secured on the assets to which they relate.

12 Creditors: amounts falling due after more than one year

	2011 £	2010 £
Amounts owed to group undertakings	723,122	839,935
Amounts due under finance leases and hire purchase agreements	562,916	659,399
	<u>1,286,038</u>	<u>1,499,334</u>

The amount owed to the parent undertaking is not repayable before January 2013.

13 Commitments under finance leases and hire purchase agreements

Future commitments under finance leases and hire purchase agreements are as follows:

	2011 £	2010 £
Amounts payable within 1 year	519,396	557,489
Amounts payable between 1 and 2 years	390,978	354,893
Amounts payable between 2 and 5 years	171,938	304,506
	<u>1,082,312</u>	<u>1,216,888</u>

Notes to the financial statements (continued)

14 Pensions

The company operates a defined contribution pension scheme for the benefit of the employees. The assets of the scheme are administered by trustees in a fund independent from the company's assets.

15 Provisions for liabilities and charges

	Warranty £
Balance brought forward	183,473
Profit and loss account movement arising during the year	1,267
Balance carried forward	<u>184,740</u>
	Warranty £
Balance brought forward	183,473
Provided during the year	112,800
Utilised	(73,027)
Released during the year	(38,507)
Balance carried forward	<u>184,740</u>

The warranty provision is in respect of trucks. The directors consider the provision to be adequate in the light of experience.

16 Leasing commitments

At 31 December 2011 the company had annual commitments under non-cancellable operating leases as set out below:

	2011		2010	
	Land & buildings £	Other items £	Land & Buildings £	Other items £
Operating leases which expire:				
Within 1 year	14,600	-	38,600	8,508
Within 2 to 5 years	12,600	-	12,600	-
After more than 5 years	131,339	-	131,339	-
	<u>158,539</u>	<u>-</u>	<u>182,539</u>	<u>8,508</u>

Notes to the financial statements (continued)

17 Related party transactions

As a wholly owned subsidiary of GHL Holdings Limited the company is exempt from the requirements of FRS 8 to disclose transactions with other members of the group headed by GHL Holdings Limited

18 Share capital

Authorised share capital

	2011 £	2010 £
100,000 Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>

Allotted and called up

	2011 No	£	2010 No	£
Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>

19 Profit and loss account

	2011 £	2010 £
Balance brought forward	958,222	738,358
Profit for the financial year	<u>344,518</u>	<u>219,864</u>
Balance carried forward	<u>1,302,740</u>	<u>958,222</u>

20 Reconciliation of movements in shareholders' funds

	2011 £	2010 £
Profit for the financial year	<u>344,518</u>	<u>219,864</u>
Net increase in shareholders' funds	<u>344,518</u>	<u>219,864</u>
Opening shareholders' funds	<u>1,058,222</u>	<u>838,358</u>
Closing shareholders' funds	<u>1,402,740</u>	<u>1,058,222</u>

21 Capital commitments

Amounts contracted for but not provided in the financial statements amounted to £568,892 (2010 £488,042)

Notes to the financial statements (continued)

22 Contingent liabilities

There were no contingent liabilities at 31 December 2011 or 31 December 2010 other than a cross guarantee provided to GHL Holdings Limited in respect of its overdraft facility which at 31 December 2011 amounted to £nil (2010 £nil)

23 Ultimate parent company

GHL Holdings Limited is the company's controlling related party by virtue of being its ultimate parent undertaking. The largest and smallest group of undertakings for which group accounts have been drawn up is that headed by GHL Holdings Limited.