

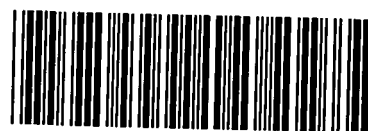
Registered number: 02846291

GRIMME (U.K.) LIMITED

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2013

THURSDAY



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COMPANIES HOUSE

GRIMME (U.K.) LIMITED

COMPANY INFORMATION

Directors	Jens Walter Barry V White George B Baker
Company secretary	M D Baumber
Registered number	02846291
Registered office	Station Road Swineshead Boston Lincolnshire PE20 3PS
Independent auditor	BDO LLP Pannell House 159 Charles Street Leicester LE1 1LD
Bankers	HSBC Bank plc 26 Market Place Sleaford Lincolnshire NG34 7SB
Solicitors	The Ringrose Law Group St. Peter-At-Arches Silver Street Lincoln LN2 1EA

GRIMME (U.K.) LIMITED

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GRIMME (U.K.) LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2013

The directors present their strategic report for the year ended 31 December 2013.

Principal activities

The principal activity of the company during the year was the retail and wholesale of agricultural machinery.

Business review

The directors are satisfied with the result for the year and consider the financial position at the end of the year to be satisfactory.

The company's strategy is to maintain its reputation as a supplier of quality product and for that product to be supported by quality service. The Board are content that the strategy remains deliverable and is being delivered effectively.

Principal risks and uncertainties

The company is dependent on retaining the loyalty of both its customers and suppliers. For its customers this is addressed by maintaining a constant focus on service levels and technical standards. Supply risk is managed via its long-term strategic relationships with other companies in the Grimme group.

The principal risk going forward is the strength of the euro and its effect on the company's ability to maintain competitiveness in the current market place. The key uncertainty going forward is the effect that the global recession will have on the company's customers and, particularly, their decisions regarding capital investment.

Financial key performance indicators

The directors use a number of performance indicators, both financial and non-financial, to assess the success of the business. However, the increase in turnover and the consistent gross margin which are detailed on page 7 are of primary importance in ensuring the successful management of the company. In terms of financial position at the end of the year the company has increased its investment in stock reflecting the increase in trading levels. This is also reflected in the amounts due to and from other group companies.

This report was approved by the board on 22nd May 2014 and signed on its behalf.

M D Baumber

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M D Baumber
Secretary

GRIMME (U.K.) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2013

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

Strategic report

The review of the business and principal risks and uncertainties are not shown in the directors' report as they are shown in the strategic report in accordance with section 414C (11) of the Companies Act 2006.

Results and dividends

The profit for the year, after taxation, amounted to £3,245,178 (2012 - £2,942,688).

The directors do not recommended the payment of a dividend (2012: £Nil).

Directors

The directors who served during the year were:

Jens Walter
Barry V White
George B Baker

Political and charitable contributions

Charitable contributions of £2,003 (2012: £1,255) were made during the year.

Financial instruments

The company does not actively use financial instruments as part of its financial risk management. It is exposed to the usual credit risk and cash flow risk associated with selling on credit and manages this through credit control procedures.

The ultimate parent company has entered into a hedging agreement whereby Grimme (U.K.) Limited have to ensure that funds are made available to the ultimate parent company in accordance with an agreed schedule.

The nature of this agreement means that they are not subject to significant price risk or liquidity risk.

Future developments

The directors consider that the companies market place will remain fairly static in the near future so have decided to expand further into the Sugar Beet/Vegetable market by selling direct its Grimme/Asa Lift/Kleine products.

It has also transferred its ownership of Grimme Ireland Equipment Limited to the parent company in Germany in line with ongoing reorganisation of international subsidiaries.

The directors believe that with its quality product, high levels of service, strong management team and highly qualified and motivated staff the company is well placed to take advantage of every opportunity in the current year.

GRIMME (U.K.) LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2013**

Qualifying third party indemnity provisions

During the period and up to the date of this report directors indemnity insurance was in place under a group policy and local policy. This covers all qualifying directors.

Provision of information to auditor

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information.

This report was approved by the board on 22nd May 2014 and signed on its behalf.

M D Baumber

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M D Baumber
Secretary

GRIMME (U.K.) LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom accounting standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions, to disclose with reasonable accuracy at any time the financial position of the company and to 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.

GRIMME (U.K.) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GRIMME (U.K.) LIMITED

We have audited the financial statements of Grimme (U.K.) Limited for the year ended 31 December 2013 which comprise 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, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC'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 FRC's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 and of its profit for the year then ended;
- have been properly prepared in accordance with 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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

GRIMME (U.K.) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GRIMME (U.K.) LIMITED

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.

BDO LLP

Nishit Bathia (senior statutory auditor)
for and on behalf of BDO LLP, statutory auditor
Leicester
United Kingdom

23 May 2014

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

GRIMME (U.K.) LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2013**

	Note	2013 £	2012 £
TURNOVER	1,2	47,631,446	37,777,320
Cost of sales		<u>(37,408,544)</u>	<u>(29,420,861)</u>
GROSS PROFIT		10,222,902	8,356,459
Administrative expenses		<u>(5,836,346)</u>	<u>(4,090,429)</u>
OPERATING PROFIT	3	4,386,556	4,266,030
Income from shares in group undertakings		79,270	-
Interest receivable and similar income		8,083	6,002
Interest payable and similar charges	7	<u>(211,474)</u>	<u>(334,389)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		4,262,435	3,937,643
Tax on profit on ordinary activities	8	<u>(1,017,257)</u>	<u>(994,955)</u>
PROFIT FOR THE FINANCIAL YEAR	18	<u>3,245,178</u>	<u>2,942,688</u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2013 or 2012 other than those included in the profit and loss account.

The notes on pages 9 to 19 form part of these financial statements.

GRIMME (U.K.) LIMITED
REGISTERED NUMBER: 02846291

BALANCE SHEET
AS AT 31 DECEMBER 2013

	Note	£	2013 £	£	2012 £
FIXED ASSETS					
Tangible assets	9		2,903,569		2,113,081
Investments	10		-		83,577
			<u>2,903,569</u>		<u>2,196,658</u>
CURRENT ASSETS					
Stocks	11	13,888,822		11,849,879	
Debtors	12	3,521,002		3,740,262	
Cash at bank and in hand		2,605,432		2,578,746	
		<u>20,015,256</u>		<u>18,168,887</u>	
CREDITORS: amounts falling due within one year	13	<u>(6,752,534)</u>		<u>(7,571,606)</u>	
NET CURRENT ASSETS			<u>13,262,722</u>		<u>10,597,281</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>16,166,291</u>		<u>12,793,939</u>
CREDITORS: amounts falling due after more than one year	14		(4,043,800)		(4,058,400)
PROVISIONS FOR LIABILITIES					
Other provisions	16		<u>(280,314)</u>		<u>(138,540)</u>
NET ASSETS			<u><u>11,842,177</u></u>		<u><u>8,596,999</u></u>
CAPITAL AND RESERVES					
Called up share capital	17		25,000		25,000
Profit and loss account	18		<u>11,817,177</u>		<u>8,571,999</u>
SHAREHOLDERS' FUNDS	19		<u><u>11,842,177</u></u>		<u><u>8,596,999</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

22nd May 2014.



George B Baker
Director

The notes on pages 9 to 19 form part of these financial statements.

GRIMME (U.K.) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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

The company is itself a subsidiary company and exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

1.2 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts. Revenue relating to goods is recognised at the point of dispatch. Revenue relating to services is recognised at point of rendering the service.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	4% Straight line
Plant, machinery and motor vehicles	-	20-50% Straight line
Furniture, fittings and equipment	-	10-50% Straight line

1.4 Stocks

Stock is valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost is based on:

Machine stock - purchase price
Parts stock - weighted average purchase price

Net realisable value is based on estimated selling price allowing for further costs for completion and disposal.

1.5 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

GRIMME (U.K.) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

1. ACCOUNTING POLICIES (continued)

1.6 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

1.7 Cash flow statement

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

1.8 Investments

Investments in subsidiaries are shown at cost less provision for impairment.

1.9 Finance leases and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.10 Operating leases

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

1.11 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the profit and loss account.

2. TURNOVER

Turnover is attributable to one class of business.

A geographical analysis of turnover is as follows:

	2013 £	2012 £
United Kingdom and Jersey	46,494,096	36,571,401
Rest of European Union	1,125,672	1,156,749
Rest of world	11,678	49,170
	<u>47,631,446</u>	<u>37,777,320</u>

GRIMME (U.K.) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

3. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2013 £	2012 £
Depreciation of tangible fixed assets:		
- owned by the company	372,048	325,599
- held under finance leases	16,400	16,400
Operating lease rentals:		
- other operating leases	38,350	65,167
Difference on foreign exchange	122,183	(406,600)
Profit on sale of tangible assets	(17,300)	(21,038)
	<u> </u>	<u> </u>

4. AUDITOR'S REMUNERATION

	2013 £	2012 £
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	14,000	14,000
Fees payable to the company's auditor and its associates in respect of:		
The auditing of accounts of associates of the company	-	4,055
Taxation compliance services	2,025	1,925
All other non-audit services not included above	1,500	2,311
	<u> </u>	<u> </u>

5. DIRECTORS' REMUNERATION

	2013 £	2012 £
Remuneration	225,348	203,431
	<u> </u>	<u> </u>
Company pension contributions to defined contribution pension schemes	16,221	15,700
	<u> </u>	<u> </u>

During the year retirement benefits were accruing to 2 directors (2012 - 2) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £119,125 (2012 - £107,243).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £8,425 (2012 - £8,155).

GRIMME (U.K.) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

6. STAFF COSTS

Staff costs, including directors' remuneration, were as follows:

	2013 £	2012 £
Wages and salaries	2,669,223	2,298,069
Social security costs	317,912	244,790
Other pension costs	107,132	88,956
	<u>3,094,267</u>	<u>2,631,815</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2013 No.	2012 No.
Directors	3	3
Sales	10	9
Service and parts	55	48
Administration	11	8
	<u>79</u>	<u>68</u>

7. INTEREST PAYABLE AND SIMILAR CHARGES

	2013 £	2012 £
On finance leases and hire purchase contracts	4,587	2,256
On loans from group undertakings	206,887	332,133
	<u>211,474</u>	<u>334,389</u>

GRIMME (U.K.) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

8. TAXATION

	2013 £	2012 £
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	1,000,811	1,018,721
Deferred tax (see note 15)		
Origination and reversal of timing differences	16,446	(23,766)
Tax on profit on ordinary activities	<u>1,017,257</u>	<u>994,955</u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2012 - higher than) the standard rate of corporation tax in the UK of 23% (2012 - 24%). The differences are explained below:

	2013 £	2012 £
Profit on ordinary activities before tax	<u>4,262,435</u>	<u>3,937,643</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 23% (2012 - 24%)	980,360	945,034
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	3,635	3,745
Depreciation in excess of capital allowances	23,989	54,434
Changes in provisions leading to a decrease in the tax charge	-	(4,800)
Dividends from subsidiaries	(18,232)	-
Change in tax rates	11,059	20,308
Current tax charge for the year (see note above)	<u>1,000,811</u>	<u>1,018,721</u>

Factors that may affect future tax charges

The provision for deferred tax is calculated based on the tax rates enacted or substantially enacted at the balance sheet date. The Chancellor of the Exchequer has announced that the rate of corporation tax will be reduced by 2 percentage points to 21% in April 2014 and then to 20% in April 2015 where it will remain at 20%. These new rates are expected to affect future tax charges and are therefore disclosed.

GRIMME (U.K.) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

9. TANGIBLE FIXED ASSETS

	Land and buildings £	Plant, machinery and motor vehicles £	Furniture, fittings and equipment £	Total £
Cost				
At 1 January 2013	2,188,825	1,532,331	372,874	4,094,030
Additions	902,123	215,105	96,973	1,214,201
Disposals	-	(119,472)	(7,601)	(127,073)
At 31 December 2013	<u>3,090,948</u>	<u>1,627,964</u>	<u>462,246</u>	<u>5,181,158</u>
Depreciation				
At 1 January 2013	869,448	850,423	261,078	1,980,949
Charge for the year	80,476	264,423	43,549	388,448
On disposals	-	(88,265)	(3,543)	(91,808)
At 31 December 2013	<u>949,924</u>	<u>1,026,581</u>	<u>301,084</u>	<u>2,277,589</u>
Net book value				
At 31 December 2013	<u>2,141,024</u>	<u>601,383</u>	<u>161,162</u>	<u>2,903,569</u>
At 31 December 2012	<u>1,319,377</u>	<u>681,908</u>	<u>111,796</u>	<u>2,113,081</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2013 £	2012 £
Motor vehicles	<u>60,560</u>	<u>99,327</u>

Freehold land is not depreciated. The cost relating to freehold land is £253,000 (2012 - £253,000).

GRIMME (U.K.) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

10. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £
Cost	
At 1 January 2013	83,577
Disposals	(83,577)
	<hr/>
At 31 December 2013	-
	<hr/>
Net book value	
At 31 December 2013	-
	<hr/>
At 31 December 2012	83,577
	<hr/>

Subsidiary undertakings

The following ceased to be a subsidiary undertaking of the company during the year:

Name	Class of shares	Holding
Grimme Ireland Equipment Limited	Ordinary	100%

On 2 January 2013, the company disposed of its interest in Grimme Ireland Equipment Limited to a fellow group subsidiary at book value as part of a group reorganisation.

11. STOCKS

	2013 £	2012 £
Finished goods	13,888,822	11,849,879
	<hr/>	<hr/>

12. DEBTORS

	2013 £	2012 £
Trade debtors	2,512,686	2,804,659
Amounts owed by group undertakings	820,605	776,058
Other debtors	26,405	3,913
Prepayments and accrued income	145,063	123,304
Deferred tax asset (see note 15)	16,243	32,328
	<hr/>	<hr/>
	3,521,002	3,740,262
	<hr/>	<hr/>

GRIMME (U.K.) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

13. CREDITORS:
Amounts falling due within one year

	2013 £	2012 £
Bank loans and overdrafts	37,500	37,500
Net obligations under finance leases and hire purchase contracts	14,600	31,000
Trade creditors	848,648	984,892
Amounts owed to group undertakings	4,857,172	4,233,304
Corporation tax	500,811	754,793
Other taxation and social security	327,224	898,440
Other creditors	103,680	606,884
Accruals	62,899	24,793
	<u>6,752,534</u>	<u>7,571,606</u>

Other creditors include £45,131 (2012 - £606,885) received on account of orders for future sales.

Obligations under finance leases and hire purchase contracts are secured over the assets concerned.

14. CREDITORS:
Amounts falling due after more than one year

	2013 £	2012 £
Net obligations under finance leases and hire purchase contracts	43,800	58,400
Amounts owed to group undertakings	4,000,000	4,000,000
	<u>4,043,800</u>	<u>4,058,400</u>

Obligations under finance leases and hire purchase contracts, included above, are payable as follows:

	2013 £	2012 £
Between one and five years	<u>43,800</u>	<u>58,400</u>

Obligations under finance leases and hire purchase contracts are secured over the assets concerned.

GRIMME (U.K.) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

15. DEFERRED TAX ASSET

	2013 £	2012 £
At beginning of year	32,328	8,923
(Charge for)/released during year	(16,085)	23,405
	<u>16,243</u>	<u>32,328</u>
At end of year	<u>16,243</u>	<u>32,328</u>

The deferred tax asset is made up as follows:

	2013 £	2012 £
Anticipated utilisation of fixed asset and short term timing differences	<u>16,243</u>	<u>32,328</u>

16. PROVISIONS

	Warranty costs £
At 1 January 2013	138,540
Additions	210,817
Amounts used	(69,043)
At 31 December 2013	<u>280,314</u>

Warranty costs

The company offers a warranty guarantee on certain machine sales. The provision is the directors' estimate of the potential liability at the year end in relation to net future cost of remedial work on machines sold under warranty.

The provision is expected to reverse over a period of 1 year, being the warranty period although at the discretion of management, warranty periods can be extended further.

The directors do not consider the impact of discounting to be material.

17. SHARE CAPITAL

	2013 £	2012 £
Allotted, called up and fully paid		
25,000 Ordinary shares of £1 each	<u>25,000</u>	<u>25,000</u>

GRIMME (U.K.) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

18. RESERVES

	Profit and loss account £
At 1 January 2013	8,571,999
Profit for the financial year	3,245,178
	<hr/>
At 31 December 2013	11,817,177
	<hr/>

19. SHAREHOLDERS' FUNDS

	2013 £	2012 £
Opening shareholders' funds	8,596,999	5,654,311
Profit for the financial year	3,245,178	2,942,688
	<hr/>	<hr/>
Closing shareholders' funds	11,842,177	8,596,999
	<hr/>	<hr/>

20. CAPITAL COMMITMENTS

At 31 December 2013 the company had capital commitments as follows:

	2013 £	2012 £
Contracted for but not provided in these financial statements	64,162	912,935
	<hr/>	<hr/>

21. PENSION COSTS

The company operates a defined contribution pension scheme, the assets of which are held separately from those of the company in an independently administered fund.

The pension cost charge for the year is shown in note 6 to the accounts.

22. OPERATING LEASE COMMITMENTS

At 31 December 2013 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 2013 £	2012 £
Expiry date:		
Between 2 and 5 years	20,000	38,000
After more than 5 years	28,000	-
	<hr/>	<hr/>

GRIMME (U.K.) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

23. RELATED PARTY TRANSACTIONS

As this company is ultimately owned by Grimme Holding GmbH and the consolidated accounts are publicly available in Germany, advantage has been taken of the exemption offered by Financial Reporting Standard 8 from the requirement to disclose transactions with other wholly owned group companies.

During the year the company made purchases of £1,383,788 from ASA-Lift A/S, a fellow subsidiary. At the year end £259,333 was owed to ASA-Lift A/S and is included within amounts owed to group undertakings.

Comparative information has not been presented as ASA-Lift A/S did not meet the definition of a related party in the prior year.

24. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The company is controlled by Grimme International Beteiligungs GmbH.

The parent undertakings of the largest and smallest group for which consolidated accounts are prepared is Grimme Holding GmbH and Grimme International Beteiligungs GmbH respectively, both companies incorporated in Germany.

Consolidated accounts are available from Grimme Holding GmbH, Hunteburger Str. 32, 49401 Damme, Germany.

In the opinion of the directors this is the company's ultimate parent company.

Grimme Holding GmbH is ultimately controlled by Franz Grimme.