

GRIMME (U.K.) LIMITED

**ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2014**

TUESDAY



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COMPANIES HOUSE

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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

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GRIMME (U.K.) LIMITED

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2014**

The directors present their strategic report for the year ended 31 December 2014.

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 relationship with other companies in the Grimme group.

The principal risk going forward is current price deflation in the global agricultural economy and its effect on the company's customers particularly their decisions regarding capital expenditure.

Financial key performance indicators

The directors use a number of performance indicators, both financial and non-financial, to assess the success of the business. Last year the financial results were exceptional due to market conditions with this year returning to more normal trading conditions resulting in a lower but satisfactory level of turnover, margin and profit.

The directors also consider the financial position at the year-end to be satisfactory with only increased stock levels causing concern due to the current trading environment.

This report was approved by the board on **15th APRIL 2015** and signed on its behalf.

.....**M D Baumber**.....
M D Baumber
Secretary

GRIMME (U.K.) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2014

The directors present their report and the financial statements for the year ended 31 December 2014.

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 £1,223,628 (2013 - £3,245,178).

A dividend of £1,450,000 (2013 - £Nil) was paid during the year.

The directors do not recommended the payment of a final dividend (2013 - £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 £1,835 (2013 - £2,003) 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 company's market place will remain fairly static in the near future with any growth coming from the Sugar Beet/Vegetable/Irrigation market.

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 future.

GRIMME (U.K.) LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2014**

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 **15th APRIL 2015** and signed on its behalf.


.....
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 2014 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 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the strategic report and 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.

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

20 April 2015

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 2014**

	Note	2014 £	2013 £
TURNOVER	1,2	38,044,786	47,631,446
Cost of sales		<u>(30,812,235)</u>	<u>(37,408,544)</u>
GROSS PROFIT		7,232,551	10,222,902
Administrative expenses		<u>(5,424,931)</u>	<u>(5,836,346)</u>
OPERATING PROFIT	3	1,807,620	4,386,556
Income from shares in group undertakings		-	79,270
Interest receivable and similar income		6,532	8,083
Interest payable and similar charges	7	<u>(229,581)</u>	<u>(211,474)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,584,571	4,262,435
Tax on profit on ordinary activities	8	<u>(360,943)</u>	<u>(1,017,257)</u>
PROFIT FOR THE FINANCIAL YEAR	17	<u>1,223,628</u>	<u>3,245,178</u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2014 or 2013 other than those included in the profit and loss account.


The notes on pages 9 to 18 form part of these financial statements.

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

BALANCE SHEET
AS AT 31 DECEMBER 2014

	Note	£	2014 £	2013 £
FIXED ASSETS				
Tangible assets	9		3,366,858	2,903,569
CURRENT ASSETS				
Stocks	10	15,828,294	13,888,822	
Debtors	11	2,406,272	3,521,002	
Cash at bank and in hand		1,880,597	2,605,432	
		<u>20,115,163</u>	<u>20,015,256</u>	
CREDITORS: amounts falling due within one year	12	<u>(7,508,065)</u>	<u>(6,752,534)</u>	
NET CURRENT ASSETS			<u>12,607,098</u>	<u>13,262,722</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>15,973,956</u>	<u>16,166,291</u>
CREDITORS: amounts falling due after more than one year	13		(4,029,200)	(4,043,800)
PROVISIONS FOR LIABILITIES				
Deferred tax	14	(58,129)	-	
Other provisions	15	<u>(270,822)</u>	<u>(280,314)</u>	
			<u>(328,951)</u>	<u>(280,314)</u>
NET ASSETS			<u>11,615,805</u>	<u>11,842,177</u>
CAPITAL AND RESERVES				
Called up share capital	16		25,000	25,000
Profit and loss account	17		<u>11,590,805</u>	<u>11,817,177</u>
SHAREHOLDERS' FUNDS	18		<u>11,615,805</u>	<u>11,842,177</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on
15th APRIL 2015


George B Baker
 Director

The notes on pages 9 to 18 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

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.

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

Assets under construction are not depreciated.

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

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 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.

1.9 Operating leases

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

1.10 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.

1.11 Warranty provision

Warranties are provided for in the normal course of business based on an assessment of future claims with reference to past claims. Such costs are generally incurred over the product warranty claim period.

GRIMME (U.K.) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

2. TURNOVER

Turnover is attributable to one class of business.

A geographical analysis of turnover is as follows:

	2014 £	2013 £
United Kingdom and Jersey	37,249,975	46,494,096
Rest of European Union	749,489	1,125,672
Rest of world	45,322	11,678
	<u>38,044,786</u>	<u>47,631,446</u>

3. OPERATING PROFIT

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

	2014 £	2013 £
Depreciation of tangible fixed assets:		
- owned by the company	418,443	372,048
- held under finance leases	16,900	16,400
Operating lease rentals:		
- plant and machinery	37,290	-
- other operating leases	32,398	38,350
Difference on foreign exchange	(119,763)	122,183
Profit on sale of tangible assets	(69,807)	(17,300)
	<u></u>	<u></u>

4. AUDITOR'S REMUNERATION

	2014 £	2013 £
Fees payable to the company's auditor for the audit of the company's annual accounts	14,350	14,000
Fees payable to the company's auditor in respect of:		
Taxation compliance services	1,925	2,025
All other non-audit services not included above	3,250	1,500
	<u></u>	<u></u>

GRIMME (U.K.) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

5. DIRECTORS' REMUNERATION

	2014 £	2013 £
Remuneration	<u>228,508</u>	<u>225,348</u>
Company pension contributions to defined contribution pension schemes	<u>18,839</u>	<u>16,221</u>

During the year retirement benefits were accruing to 2 directors (2013 - 2) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £120,642 (2013 - £119,125).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £10,100 (2013 - £8,425).

One of the directors is remunerated in other group companies where he is also a director. It is not considered practical to apportion his remuneration between group companies.

6. STAFF COSTS

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

	2014 £	2013 £
Wages and salaries	2,740,126	2,669,223
Social security costs	360,519	317,912
Other pension costs	149,966	107,132
	<u>3,250,611</u>	<u>3,094,267</u>

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

	2014 No.	2013 No.
Directors	3	3
Sales	10	10
Service and parts	54	55
Administration	14	11
	<u>81</u>	<u>79</u>

7. INTEREST PAYABLE AND SIMILAR CHARGES

	2014 £	2013 £
On finance leases and hire purchase contracts	3,797	4,587
On loans from group undertakings	225,784	206,887
	<u>229,581</u>	<u>211,474</u>

GRIMME (U.K.) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

8. TAXATION

	2014 £	2013 £
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	306,000	1,000,811
Adjustments in respect of prior periods	(19,429)	-
Total current tax	<u>286,571</u>	<u>1,000,811</u>
Deferred tax (see note 14)		
Origination and reversal of timing differences	74,372	16,446
Tax on profit on ordinary activities	<u>360,943</u>	<u>1,017,257</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2013 - higher than) the standard rate of corporation tax in the UK of 21% (2013 - 23%). The differences are explained below:

	2014 £	2013 £
Profit on ordinary activities before tax	<u>1,584,571</u>	<u>4,262,435</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 21% (2013 - 23%)	332,760	980,360
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	3,693	3,635
Capital allowances in excess of depreciation	(35,698)	23,989
Adjustments to tax charge in respect of prior periods	(19,429)	-
Dividends from subsidiaries	-	(18,232)
Change in tax rates	5,245	11,059
Current tax charge for the year (see note above)	<u>286,571</u>	<u>1,000,811</u>

Factors that may affect future tax charges

The Chancellor of the Exchequer has announced that the rate of corporation tax will be reduced by 1 percentage point to 20% in April 2015. This new rate is expected to affect future tax charges and is therefore disclosed.

GRIMME (U.K.) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

9. TANGIBLE FIXED ASSETS

	Land and buildings £	Plant, machinery and motor vehicles £	Furniture, fittings and equipment £	Asset under construction £	Total £
Cost					
At 1 January 2014	3,090,948	1,627,964	462,246	-	5,181,158
Additions	313,776	273,724	134,148	204,577	926,225
Disposals	-	(266,089)	-	-	(266,089)
At 31 December 2014	<u>3,404,724</u>	<u>1,635,599</u>	<u>596,394</u>	<u>204,577</u>	<u>5,841,294</u>
Depreciation					
At 1 January 2014	949,924	1,026,581	301,084	-	2,277,589
Charge for the year	117,271	269,500	48,572	-	435,343
On disposals	-	(238,496)	-	-	(238,496)
At 31 December 2014	<u>1,067,195</u>	<u>1,057,585</u>	<u>349,656</u>	<u>-</u>	<u>2,474,436</u>
Net book value					
At 31 December 2014	<u>2,337,529</u>	<u>578,014</u>	<u>246,738</u>	<u>204,577</u>	<u>3,366,858</u>
At 31 December 2013	<u>2,141,024</u>	<u>601,383</u>	<u>161,162</u>	<u>-</u>	<u>2,903,569</u>

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

	2014 £	2013 £
Motor vehicles	<u>43,660</u>	<u>60,560</u>

Freehold land is not depreciated. The cost relating to freehold land is £253,000 (2013 - £253,000).

10. STOCKS

	2014 £	2013 £
Finished goods	<u>15,828,294</u>	<u>13,888,822</u>

GRIMME (U.K.) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

11. DEBTORS

	2014 £	2013 £
Trade debtors	1,756,122	2,512,686
Amounts owed by group undertakings	93,379	820,605
Other debtors	357,612	26,405
Prepayments and accrued income	199,159	145,063
Deferred tax asset (see note 14)	-	16,243
	<u>2,406,272</u>	<u>3,521,002</u>

**12. CREDITORS:
Amounts falling due within one year**

	2014 £	2013 £
Bank loans and overdrafts	37,500	37,500
Net obligations under finance leases and hire purchase contracts	14,600	14,600
Trade creditors	198,973	848,648
Amounts owed to group undertakings	6,136,112	4,857,172
Corporation tax	6,000	500,811
Other taxation and social security	308,643	327,224
Other creditors	732,365	103,680
Accruals	73,872	62,899
	<u>7,508,065</u>	<u>6,752,534</u>

Other creditors include £721,968 (2013 - £45,131) received on account of orders for future sales.

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

**13. CREDITORS:
Amounts falling due after more than one year**

	2014 £	2013 £
Net obligations under finance leases and hire purchase contracts	29,200	43,800
Amounts owed to group undertakings	4,000,000	4,000,000
	<u>4,029,200</u>	<u>4,043,800</u>

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

	2014 £	2013 £
Between one and five years	<u>29,200</u>	<u>43,800</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 2014**

14. DEFERRED TAXATION (LIABILITY)/ASSET

	2014 £	2013 £
At beginning of year	16,243	32,328
Charge for year	(74,372)	(16,085)
At end of year	<u>(58,129)</u>	<u>16,243</u>

The deferred taxation balance is made up as follows:

	2014 £	2013 £
Accelerated capital allowances	<u>(58,129)</u>	<u>16,243</u>

15. PROVISIONS

	Warranty costs £
At 1 January 2014	280,314
Additions	173,970
Amounts used	(93,839)
Amounts reversed	(89,623)
At 31 December 2014	<u>270,822</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.

16. SHARE CAPITAL

	2014 £	2013 £
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 2014**

17. RESERVES

	Profit and loss account £
At 1 January 2014	11,817,177
Profit for the year	1,223,628
Dividends: Equity capital	(1,450,000)
	<u>11,590,805</u>
At 31 December 2014	<u>11,590,805</u>

18. SHAREHOLDERS' FUNDS

	2014 £	2013 £
Opening shareholders' funds	11,842,177	8,596,999
Profit for the financial year	1,223,628	3,245,178
Dividends (Note 19)	(1,450,000)	-
	<u>11,615,805</u>	<u>11,842,177</u>
Closing shareholders' funds	<u>11,615,805</u>	<u>11,842,177</u>

19. DIVIDENDS

	2014 £	2013 £
Dividends paid on equity capital - £58 per ordinary share	<u>1,450,000</u>	<u>-</u>

20. CAPITAL COMMITMENTS

At 31 December 2014 the company had capital commitments as follows:

	2014 £	2013 £
Contracted for but not provided in these financial statements	<u>101,040</u>	<u>64,162</u>

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.

GRIMME (U.K.) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

22. OPERATING LEASE COMMITMENTS

At 31 December 2014 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		2014	Other
	2014	2013		2013
	£	£	£	£
Expiry date:				
Within 1 year	-	-	50,824	-
Between 2 and 5 years	20,000	20,000	-	-
After more than 5 years	28,000	28,000	-	-
	<u>28,000</u>	<u>28,000</u>	<u>-</u>	<u>-</u>

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 £513,274 (2013 - £1,383,788) from and sales of £772 (2013 - £Nil) to ASA-Lift A/S, a fellow subsidiary. At the year end £44,064 (2013 - £259,333) was owed to and £772 (2013 - £Nil) owing from ASA-Lift A/S and is included within amounts owed to and from group undertakings.

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.