

**Bosch Lawn and Garden Limited**  
**Annual report**  
**for the year ended 31 December 2014**

**Registered Number 3073491**

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# **Bosch Lawn and Garden Limited**

## **Annual report for the year ended 31 December 2014**

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# **Bosch Lawn and Garden Limited**

## **Directors and advisers for the year ended 31 December 2014**

### **Directors**

T Beer (resigned 30 June 2014)  
A Andorfer (resigned 31 December 2014)  
C Ziegler (resigned 31 December 2014)  
A Granget (appointed 1 July 2014, resigned 30 June 2015)  
W Becker (appointed 1 January 2015)  
S Briscoe (appointed 1 January 2015)  
S Blackwell (appointed 1 July 2015)

### **Company secretary**

A Granget (resigned 30 June 2014)  
S Blackwell (appointed 1 July 2014)

### **Registered office**

Suffolk Works  
Stowmarket  
Suffolk  
IP14 1EY

### **Independent auditors**

PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Abacus House  
Castle Park  
Cambridge  
CB3 0AN

### **Bankers**

Barclays Bank plc  
Uxbridge Branch  
142 High Street  
Uxbridge  
UB8 1DS

# **Bosch Lawn and Garden Limited**

## **Strategic Report for the year ended 31 December 2014**

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

### **Business review**

The results for the year show a loss on ordinary activities before taxation of £502,000 (2013: Profit £2,439,000) for the year on turnover of £172,035,000 (2013: £162,541,000). The increase in turnover of 5.8% is due to favourable exchange rates between Pound Sterling and Euro, new product launches a general upturn in the world economy. The turnover is mainly with Robert Bosch GmbH.

The directors have not proposed the payment of a dividend (2013: nil).

The company is wholly financed by Robert Bosch GmbH.

### **Principal risks and uncertainties**

The management of the business is subject to a number of risks:

- Increasing competition in the market place.
- Price movements in raw materials; these are mitigated by deploying contracts negotiated by Robert Bosch GmbH.
- The seasonality of the business entails the 'employment' of 'agency personnel' and the risk concerning employee retention is higher. The current economic conditions reduce this risk.
- The weather conditions impact upon the demand for product, and is an uncertainty for the business.
- With the uncertainty in the European Union and markets, the company has risk from euro currency fluctuations.

### **Financial risk management**

The directors have considered the disclosure requirements of FRS 25 'Financial Instruments: Disclosure and Presentation'. The company's operations expose it to a variety of financial risks that include the effect of credit risk, currency risk and interest rate risk.

#### *Credit risk*

The credit risk of the company is not material as all sales flow through the ultimate controlling party of the company being Robert Bosch GmbH.

#### *Currency risk*

The company procures supplies from across the globe and pays for the goods in a variety of currencies. The company does not use derivatives to manage this risk, and instead relies on using prudent budgeting of future exchanges rates when setting pricing.

#### *Interest rate risk*

The company is subject to interest rate risk on its borrowings. The interest rate risk is managed on behalf of the company by its ultimate controlling party, Robert Bosch GmbH.

### **Future outlook**

The market remains highly competitive. We have evidence of absolute support from our parent company, which has instilled confidence and a very positive working environment. The product range continues to be innovatively refreshed in order to retain future market position, offset adverse economic conditions and sustain profitability. There is a new product range due to launch towards the end of 2015, which is looking extremely positive.

### **Research and development**

The company continues to review and develop its product range and invest in research and development projects. Total research and development costs for the year to 31 December 2014 were £10,329,000 (2013: £10,752,000).

# **Bosch Lawn and Garden Limited**

## **Strategic Report for the year ended 31 December 2014 (continued)**

### **Key performance indicators**

The company represents a single entity within the group lawn and garden division and the directors are of the opinion that the majority of key financial performance indicators are more meaningfully assessed on a business unit level and hence have not presented these metrics within this report. The most appropriate financial KPI applicable on an entity level is considered to be:

- Earnings before interest and tax (EBIT) – 2014 – loss of £314,000 (2013 profit £3,044,000).

**On behalf of the Board of the Directors**



**S Blackwell**  
**Director**

23<sup>rd</sup> July 2015

# **Bosch Lawn and Garden Limited**

## **Directors' report for the year ended 31 December 2014**

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

### **Future outlook**

The market remains highly competitive. We have evidence of absolute support from our parent company, which has instilled confidence and a very positive working environment. The product range continues to be innovatively refreshed in order to retain future market position, offset adverse economic conditions and sustain profitability. There is a new product range due to launch towards the end of 2015, which is looking extremely positive.

### **Supplier payment policy**

The company policy is to settle terms of payment with suppliers when agreeing the terms of each transaction, ensure that suppliers are made aware of the terms of payment and to abide by the terms of payment.

### **Directors**

The directors of the company who served during the year and up until the date of approval of the financial statements (unless otherwise stated) are as listed on page 2.

### **Disabled employees**

Full and fair consideration is given to the employment of applicants who are disabled persons, taking account of their aptitudes and abilities. Employees who become temporarily or permanently disabled are retained in employment where practicable and fair regard is given to their training needs, career development and promotion potential.

### **Employee consultation**

Regular consultation is encouraged between management and employees at the company's operating location. Employees are kept informed of the performance of the business and future new product developments through regular management and employee review meetings. The majority of employees receive a performance review and development discussion, which formalises objectives and future employee development.

### **Statement of directors' responsibilities**

The directors are responsible for preparing the Directors' report and the financial statements in accordance with the applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared 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 judgements 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 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 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.

# **Bosch Lawn and Garden Limited**

## **Directors' report for the year ended 31 December 2014 (continued)**

### **Statement on disclosure of information to the auditors**

In accordance with Section 418 of the Companies Act 2006, each director has confirmed that:

- so far as each director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- each director has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

### **Independent auditors**

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the Annual General Meeting.

### **On behalf of the Board of the Directors**



**S Blackwell**

**Director**

23<sup>rd</sup> July 2015

# **Bosch Lawn and Garden Limited**

## **Independent auditors' report to the members of Bosch Lawn and Garden Limited**

### **Report on the financial statements**

#### **Our opinion**

In our opinion, Bosch Lawn and Garden Limited's financial statements (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.

#### **What we have audited**

Bosch Lawn and Garden Limited's financial statements comprise:

- the balance sheet as at 31 December 2014;
- the profit and loss account and statement of total recognised gains and losses for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

### **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.

### **Other matters on which we are required to report by exception**

#### **Adequacy of accounting records and information and explanations received**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, 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.

We have no exceptions to report arising from this responsibility.

# Bosch Lawn and Garden Limited

## Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

## Responsibilities for the financial statements and the audit

### Our responsibilities and those of the directors

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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

### What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Adrian Bennett (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Cambridge

03 August 2015

# Bosch Lawn and Garden Limited

## Profit and loss account for the year ended 31 December 2014

	Note	2014 £'000	2013 £'000
<b>Turnover</b>	2	<b>172,035</b>	162,541
Cost of sales		<b>(136,153)</b>	(126,595)
<b>Gross profit</b>		<b>35,882</b>	35,946
Net operating expenses	4	<b>(35,045)</b>	(35,265)
Other operating (expenses)/income	5	<b>(1,151)</b>	2,363
<b>Operating (loss)/profit</b>		<b>(314)</b>	3,044
Net interest receivable/(payable) and similar charges	6	<b>(188)</b>	(605)
<b>(Loss)/profit on ordinary activities before taxation</b>	7	<b>(502)</b>	2,439
Tax on (loss)/profit on ordinary activities	8	<b>1,453</b>	(87)
<b>Profit for the financial year</b>	15	<b>951</b>	2,352

## Statement of total recognised gains and losses for the year ended 31 December 2014

	Note	2014 £'000	2013 £'000
<b>Profit for the financial year</b>		<b>951</b>	2,352
Actuarial loss	19	<b>(7,451)</b>	(81)
Movement on current tax relating to pension liability		<b>(142)</b>	228
Movement on deferred tax relating to pension liability		<b>1,490</b>	(621)
<b>Total recognised gains and losses relating to the year</b>		<b>(5,152)</b>	1,878

All activities derive from continuing operations.

There is no difference between the profit on ordinary activities before taxation and the profit for the financial year as stated above, and their historical cost equivalents.

# Bosch Lawn and Garden Limited

## Balance Sheet as at 31 December 2014

	Note	2014 £'000	2013 £'000
<b>Fixed assets</b>			
Tangible assets	9	7,917	8,718
		<b>7,917</b>	8,718
<b>Current assets</b>			
Stocks	10	5,675	9,526
Debtors	11	30,269	28,521
		<b>35,944</b>	38,047
<b>Creditors: amounts falling due within one year</b>	12	<b>(23,060)</b>	(25,728)
<b>Net current assets</b>		<b>12,884</b>	12,319
<b>Total assets less current liabilities and net assets excluding pension liability</b>		<b>20,801</b>	21,037
<b>Pension liability</b>	19	<b>(19,156)</b>	(14,240)
<b>Net assets including pension liability</b>		<b>1,645</b>	6,797
<b>Capital and reserves</b>			
Called up share capital	13	8,907	8,907
Share premium account	14	975	975
Capital reserve	14	42,000	42,000
Profit and loss account	14	(50,237)	(45,085)
<b>Total shareholders' funds</b>	15	<b>1,645</b>	6,797

The financial statements on pages 9 to 24 were approved by the board of directors and authorised for issue on 23 July 2015 were signed on its behalf by:



**S Blackwell**  
Director

Registered number: 3073491

# Bosch Lawn and Garden Limited

## Notes to the financial statements for the year ended 31 December 2014

### 1 Principal accounting policies

The financial statements have been prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. A summary of the more important accounting policies, which have been reviewed by the board of directors in accordance with Financial Reporting Standard (FRS) 18, "Accounting Policies" and have been applied consistently except where noted, is set out below.

#### **Basis of consolidation**

The company has taken advantage of the exemption from preparing consolidated financial statements afforded by Section 400 of the Companies Act 2006 because it is a wholly owned subsidiary of Robert Bosch GmbH, which prepares consolidated financial statements that are publicly available.

#### **Turnover**

Turnover represents amounts receivable for goods and services provided in the normal course of business, net of trade discounts, VAT and other sales related taxes. Turnover is generally recognised when the rights and rewards of ownership of goods have transferred to the customer.

#### **Research and development**

Research and development expenditure is written off to the profit and loss account as incurred.

#### **Cash flow statement**

The company is exempt from the requirement of FRS 1 (Revised 1996), "Cash flow statements", to include a cash flow statement as part of its financial statements as the financial statements of its ultimate parent company, Robert Bosch GmbH, are publicly available.

#### **Tangible fixed assets**

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Cost includes the original purchase price of the assets and the costs attribute to bringing the assets to its working condition for its intended use. Depreciation is provided on tangible fixed assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful economic life, as follows:

Plant and machinery	3-10 years
Fittings, tools and equipment	1-12 years

Assets in the course of construction are not depreciated.

#### **Investments**

Investments held as fixed assets are stated at cost less provision for any impairment in value.

#### **Stocks**

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

#### **Financial instruments**

The company does not have any financial instruments, other than debtors and creditors. Due to the short term nature of these balances, the company considers the fair value of these items to equal the carrying value.

# **Bosch Lawn and Garden Limited**

## **Notes to the financial statements for the year ended 31 December 2014 (continued)**

### **1 Principal accounting policies (continued)**

#### **Deferred taxation**

Deferred taxation is provided in full on timing differences, which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

#### **Foreign exchange**

Transactions denominated in foreign currencies are translated into sterling at the rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates ruling at that date. Translation differences arising are dealt with in the profit and loss account.

#### **Leases**

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

#### **Warranty costs**

Costs of rectification and service arising under warranty are charged against profits in the period in which they are incurred. Provision is made at each year end for any significant expenditure which is considered likely to arise.

#### **Pension costs**

The company operates a defined benefit scheme, which was closed to new members in November 2000. From 1 October 2005 the scheme was closed to future accruals for all members under 60. A defined contribution scheme is available for employees.

On 1 January 2009, the company's defined benefit pension scheme was merged with four other UK schemes run for Bosch group companies in the UK creating the Bosch UK Retirement Benefits Scheme.

The scheme is a multi-employer scheme and in accordance with paragraph 9 of FRS 17 'Retirement Benefits' the assets, liabilities and costs of the pension scheme are allocated between the participating employers, including Bosch Lawn and Garden Limited, with reference to actual employer contributions to scheme assets and actuarial valuations of the pension liability based on members of the participating employer.

For defined benefit schemes the amounts charged to operating profit are the current service costs and gains and losses on settlements and curtailments. These are incurred as part of staff costs. The actuarial loss is recognised in the statement of recognised gains and losses.

Defined benefit schemes are funded, with the assets of the scheme held separately from those of the group, in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date.

# Bosch Lawn and Garden Limited

## Notes to the financial statements for the year ended 31 December 2014 (continued)

### 1 Principal accounting policies (continued)

#### Pension costs (continued)

For money purchase schemes, the amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

#### Going concern

A letter of support has been provided by the ultimate parent company, Robert Bosch Ltd, to financially support the company for 12 months from the date of signing these financial statements. Accordingly the directors have prepared these financial statements on a going concern basis. There has also been a significant capital injection from our parent company during the year.

### 2 Turnover

By geographical market:

	2014 £'000	2013 £'000
United Kingdom	34,490	28,526
Other European Union countries	137,545	134,015
	172,035	162,541

All turnover is attributable to one class of business.

### 3 Information regarding directors and employees

The aggregate emoluments of the directors of the company are set out below:

	2014 £'000	2013 £'000
Aggregate emoluments	574	611
Emoluments of the highest paid director	303	269

The number of Directors accruing benefits under the Company's pension scheme was Nil (2013: Nil).

The average monthly number of persons (including executive directors) employed by the company during the year was:

	2014 Number	2013 Number
<b>By activity:</b>		
Production	208	301
Selling and distribution	51	50
Administration	127	107
	386	458

# Bosch Lawn and Garden Limited

## Notes to the financial statements for the year ended 31 December 2014 (continued)

### 3 Information regarding directors and employees (continued)

	2014 £'000	2013 £'000
<b>Staff costs for the above persons:</b>		
Wages and salaries	12,856	14,930
Social security costs	1,188	1,565
Other pension costs (see note 19)	227	302
	<b>14,271</b>	<b>16,797</b>

### 4 Net operating expenses

	2014 £'000	2013 £'000
Distribution costs	20,927	16,922
Administrative expenses	3,789	7,591
Research and development expenses	10,329	10,752
	<b>35,045</b>	<b>35,265</b>

### 5 Other operating income

	2014 £'000	2013 £'000
Other operating income	(1,381)	1,518
Income from disposal of assets	230	845
	<b>(1,151)</b>	<b>2,363</b>

### 6 Net Interest payable and similar charges

	2014 £'000	2013 £'000
Interest (receivable)/payable to Robert Bosch Finance Limited	(21)	149
Bank interest (receivable)/payable	(18)	154
Other finance expense	227	302
	<b>188</b>	<b>605</b>

# Bosch Lawn and Garden Limited

## Notes to the financial statements for the year ended 31 December 2014 (continued)

### 7 (Loss)/profit on ordinary activities before taxation

	2014 £'000	2013 £'000
<b>(Loss)/profit on ordinary activities before taxation is stated after charging:</b>		
Depreciation of tangible fixed assets:		
Owned	3,095	2,949
Rentals under operating leases:		
Plant and machinery	288	330
Audit services:		
Audit fees payable to the company's auditor for the statutory audit of the company's annual financial statements	46	51
Research and development – current year expenditure	10,329	10,752

### 8 Tax on (loss)/profit on ordinary activities

	2014 £'000	2013 £'000
<b>Current tax:</b>		
Charge in respect of:		
Current year	(23)	393
Adjustments in respect of previous years	(1,694)	(479)
Total current tax	(1,717)	(86)
<b>Deferred tax:</b>		
Origination and reversal of timing differences	147	161
Effect of changes in tax rates	-	107
Adjustments to the estimated recoverable amounts of deferred tax assets arising in previous years	117	(95)
Total deferred tax	264	173
Tax on (loss)/profit on ordinary activities	(1,453)	87

The standard rate of current tax for the year, based on the UK standard rate of corporation tax, is 21.49% (2013: 23.25%); the average for the financial year is 21.49%. The current year tax credit differs (2013: differs) from the standard rate for the reasons set out in the following reconciliation:

# Bosch Lawn and Garden Limited

## Notes to the financial statements for the year ended 31 December 2014 (continued)

### 8 Tax on profit on ordinary activities (continued)

	2014 £'000	2013 £'000
(Loss)/profit on ordinary activities before taxation	(502)	2,439
(Loss)/profit on ordinary activities multiplied by the average rate for the financial year in the UK of 21.49% (2013: 23.25%)	(108)	567
Effects of:		
Expenses not deductible for tax purposes	121	94
Decelerated capital allowances	106	66
Adjustment for pensions	(142)	(228)
Other timing differences	-	(106)
Adjustments to tax charge in respect of previous years	(1,694)	(479)
Current tax credit for the year	(1,717)	(86)

#### Deferred taxation

At the balance sheet date the company had deferred tax assets as follows:

	2014 £'000	2013 £'000
Tax effect of timing differences because of:		
Differences between capital allowances and depreciation	699	687
Other short term timing differences	19	34
<b>Deferred tax asset excluding that relating to pension liability</b>	<b>718</b>	<b>721</b>
Pension liability	4,789	3,560
<b>Total deferred tax asset</b>	<b>5,507</b>	<b>4,281</b>
At 1 January	4,281	5,075
Deferred tax credit to the profit and loss account	(264)	(173)
Deferred tax credit/(debit) to the STRGL	1,490	(621)
<b>At 31 December</b>	<b>5,507</b>	<b>4,281</b>

The deferred tax assets have been recognised in these financial statements as an appropriate level of taxable profits is expected to be made in the future against which the asset can be recovered. The 2014 asset has been based on an expectation that timing differences will be recoverable at 21.49% (2013: 23.25%).

# Bosch Lawn and Garden Limited

## Notes to the financial statements for the year ended 31 December 2014 (continued)

### 8 Tax on (loss)/profit on ordinary activities (continued)

In March 2013, the Chancellor of the Exchequer stated his intention to reduce the main rate of corporation tax to 20% from 1 April 2015. This reduction was substantively enacted for accounting purposes at the balance sheet date.

In addition to the change in rate of corporation tax enacted in Finance Act 2013 the effect of which is disclosed above, the Finance Act 2015 is expected to include legislation to reduce the main rate of corporation tax from 21% to 20% from 1 April 2015. The changes had not been substantively enacted at the balance sheet date and therefore are not included in these financial statements.

Deferred taxation has been computed based on rate changes that had been substantively enacted by the balance sheet date. If the further changes, detailed above, had been enacted at the balance sheet date, they would not have had a material impact on the recognised deferred tax assets and liabilities at 31 December 2014.

### 9 Tangible fixed assets

	Plant and machinery £'000	Fittings, tools and equipment £'000	Assets in the course of construction £'000	Total £'000
<b>Cost</b>				
At 1 January 2014	9,121	25,720	990	35,831
Additions	172	1,561	994	2,727
Transfers	58	418	(476)	-
Disposals	(1,974)	(1,877)	-	(3,851)
<b>At 31 December 2014</b>	<b>7,377</b>	<b>25,822</b>	<b>1,508</b>	<b>34,707</b>
<b>Accumulated depreciation</b>				
At 1 January 2014	(7,153)	(19,960)	-	(27,113)
Charge for the year	(603)	(2,492)	-	(3,095)
Eliminated in respect of disposals	1,794	1,624	-	3,418
<b>At 31 December 2014</b>	<b>(5,962)</b>	<b>(20,828)</b>	<b>-</b>	<b>(26,790)</b>
<b>Net book value</b>				
<b>At 31 December 2014</b>	<b>1,415</b>	<b>4,994</b>	<b>1,508</b>	<b>7,917</b>
At 31 December 2013	1,968	5,760	990	8,718

# Bosch Lawn and Garden Limited

## Notes to the financial statements for the year ended 31 December 2014 (continued)

### 10 Stocks

	2014 £'000	2013 £'000
Raw materials and consumables	4,885	6,935
Work in progress	622	218
Finished goods	168	2,373
	<b>5,675</b>	<b>9,526</b>

In the opinion of the directors, there is no material difference between the balance sheet value of stocks and their replacement cost.

### 11 Debtors

	2014 £'000	2013 £'000
<b>Amounts falling due within one year:</b>		
Trade debtors	-	1,562
Amounts owed by group undertakings	26,022	25,650
Deferred tax asset (see note 8)	718	721
Other debtors	2,565	363
Corporation tax receivable	566	-
Prepayments and accrued income	398	225
	<b>30,269</b>	<b>28,521</b>

### 12 Creditors: amounts falling due within one year

	2014 £'000	2013 £'000
Trade creditors	5,749	4,441
Amounts owed to group undertakings	10,161	9,863
Taxation and social security	164	-
Corporation Tax Payable	-	385
Other creditors	317	319
Accruals and deferred income	6,669	10,720
	<b>23,060</b>	<b>25,728</b>

# Bosch Lawn and Garden Limited

## Notes to the financial statements for the year ended 31 December 2014 (continued)

### 13 Called up share capital

	2014 £'000	2013 £'000
Allotted, called up and fully paid		
89,065,790 (2013: 89,065,790) ordinary shares of 10p each	8,907	8,907

### 14 Reserves

	Share premium account £'000	Capital reserve £'000	Profit and loss account £'000
At 1 January 2014	975	42,000	(45,085)
Profit for the financial year	-	-	951
Actuarial loss on pension scheme (see note 19)	-	-	(7,451)
Movement on current tax relating to pension scheme	-	-	(142)
Movement on deferred tax relating to pension scheme	-	-	1,490
<b>At 31 December 2014</b>	<b>975</b>	<b>42,000</b>	<b>(50,237)</b>

### 15 Reconciliation of movements in shareholders' deficit

	2014 £'000	2013 £'000
Profit for the financial year	951	2,352
Changes to capital reserves	-	34,000
Actuarial (loss)/gain on pension	(7,451)	(81)
Movement on current tax relating to pension liability	(142)	228
Movement on deferred tax relating to pension liability	1,490	(621)
Opening shareholders' funds/(deficit)	6,797	(29,081)
<b>Closing shareholders' funds</b>	<b>1,645</b>	<b>6,797</b>

# Bosch Lawn and Garden Limited

## Notes to the financial statements for the year ended 31 December 2014 (continued)

### 16 Capital commitments

As at 31 December 2014, the company had contracted capital commitments of £1,725,000 which fell due within 12 months (2013: £1,060,377) that were not provided for. Of this amount £1,227,000 related to product tooling.

### 17 Financial commitments

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

	Land and Buildings		Other	
	2014	2013	2014	2013
	£'000	£'000	£'000	£'000
<b>Operating leases which expire:</b>				
Within one year	-	-	58	17
Within two to five years	350	313	162	157
After five years	75	75	-	-
	<b>425</b>	<b>388</b>	<b>220</b>	<b>174</b>

### 18 Netting arrangements

The company's banking arrangements are part of a netting agreement with certain other UK subsidiaries of Robert Bosch GmbH; each company being jointly and severally liable. The aggregate net surplus, under the terms of the agreement at 31 December 2014 amounted to £381,263. (2013: £1,251,165).

### 19 Pension arrangements

The company has a defined benefit scheme and a defined contribution scheme. The pension cost charge for the year was £226,887 (2013: £302,574). Included within accruals is an amount of £Nil (2013: £Nil) relating to pension contributions payable at the year end.

On 1 January 2009, the company's defined benefit pension scheme was merged with four other UK schemes run for Bosch group companies in the UK creating the Bosch UK Retirement Benefits Scheme.

The actuarial valuation of the Bosch UK Retirement Benefits Scheme was carried out at 1 January 2013 by a qualified independent actuary. The assumptions, which have the most significant effect on the results of the valuation, are those relating to the rate of return on investments and the rates of increase in wages and pensions. For the purposes of the valuation, it was assumed that the investment return would be 6.0% per annum pre retirement and 4.0% post retirement, that wage increases would be 3.25% per annum until 1 January 2014 and 3.75% per annum thereafter, and that pensions would increase at a rate of 2.25% per annum before retirement 3.2% per annum after retirement. The contributions charged in the profit and loss account were assessed using the projected unit credit method. The valuation as at 1 January 2012 used the projected unit method.

# Bosch Lawn and Garden Limited

## Notes to the financial statements for the year ended 31 December 2014 (continued)

### 19 Pension arrangements (continued)

At the date of the valuation, the market value of the fund's assets was £35,282,587 and the actuarial value of the scheme liabilities was £48,799,000. The market value of the assets represented 30% of the actuarial value of all benefits accrued to members and pensioners at that date, after allowing for the assumed future increases in wages and pensions.

The actuarial valuation described above has been updated at 31 December 2014 by a qualified independent actuary using revised assumptions that are consistent with the requirements of FRS17. Investments have been valued, for this purpose, at fair value.

Under the definitions set out in FRS 17 'Retirement benefits', the Bosch UK Retirement Benefits Scheme is a multi-employer pension scheme. The deficit for the scheme as a whole at 31 December 2014 was £60,536,570. The company has identified its share of the underlying assets and liabilities of the scheme as shown below:

The major assumptions used for the updated actuarial valuation were:

	<b>2014</b> %	2013 %	2012 %
Rate of increase in salaries	<b>3.80</b>	4.15	3.65
Rate of increase in pensions in payment	<b>2.96</b>	3.12	2.91
Discount rate	<b>3.35</b>	4.40	4.20
Inflation assumption	<b>2.20</b>	2.65	3.15
Mortality assumption	110% S1PXA CMI 2011 1.25%	110% S1PXA CMI 2011 1.25%	110% S1PXA lc min 0.75%

The fair value of the assets in the scheme, the present value of the liabilities in the scheme and the expected rates of return at the balance sheet date were:

# Bosch Lawn and Garden Limited

## Notes to the financial statements for the year ended 31 December 2014 (continued)

### 19 Pension arrangements (continued)

	Long-term rate of return expected at 31 December 2014	Value at 31 December 2014	Long-term rate of return expected at 31 December 2013	Value at 31 December 2013	Long-term rate of return expected at 31 December 2012	Value at 31 December 2012
	%	£'000	%	£'000	%	£'000
Equities	7.0	16,547	7.0	17,324	7.0	15,848
Bonds	5.0	22,550	5.0	17,891	5.0	16,756
Insurance Contracts	-	1,562	-	1,458	-	-
Other	3.0	929	3.0	950	3.0	2,734
Total market value of assets		41,588		37,623		35,338
Present value of scheme liabilities		(65,533)		(55,423)		(54,128)
Deficit in the scheme		(23,945)		(17,800)		(18,790)
Related deferred tax asset		4,789		3,560		4,406
Net pension deficit		(19,156)		(14,240)		(14,384)

	2014 £'000	2013 £'000
Amounts charged to operating expenses		
Current service cost (excluding employee contributions)	-	-
Total operating charge	-	-

	2014 £'000	2013 £'000
Amounts charged to other finance expense		
Expected return on pension scheme assets	2,172	1,937
Interest on pension scheme liabilities	(2,399)	(2,239)
Net expense	(227)	(302)

# Bosch Lawn and Garden Limited

## Notes to the financial statements for the year ended 31 December 2014 (continued)

### 19 Pension arrangements (continued)

	2014 £'000	2013 £'000
<b>Amounts included in the statement of total recognised gains and losses</b>		
Difference between actual and expected return on pension scheme assets	2,018	601
Experience losses arising on scheme liabilities	(85)	(106)
Effect of changes in assumptions underlying the present value of scheme liabilities	(9,384)	(576)
<b>Actuarial loss recognised in the statement of total recognised gains and losses</b>	<b>(7,451)</b>	<b>(81)</b>
<b>Movement in deficit during the year</b>	<b>2014 £'000</b>	<b>2013 £'000</b>
Opening deficit in the scheme	(17,800)	(18,789)
Movement in the year:		
Contributions	1,533	1,372
Net expense recorded as other finance expense	(227)	(302)
Actuarial loss	(7,451)	(81)
<b>Closing deficit in the scheme</b>	<b>(23,945)</b>	<b>(17,800)</b>

# Bosch Lawn and Garden Limited

## Notes to the financial statements for the year ended 31 December 2014 (continued)

### 19 Pension arrangements (continued)

	2014 £'000	2013 £'000	2012 £'000	2011 £'000	2010 £'000
<b>History of experienced gains and losses</b>					
<b>Difference between expected and actual return on scheme assets:</b>					
Amount	2,018	601	996	1,290	2,405
% of scheme assets	(5%)	(2%)	(3%)	(4%)	8%
<b>Experience gains/(losses) arising on the scheme</b>					
Amount	(85)	(106)	(168)	-	-
% of present value of scheme liabilities	-	-	-	-	-
<b>Total actuarial (loss) / gain recognised in the statement of total recognised gains and losses:</b>					
Amount	(7,451)	(81)	(4,808)	(5,944)	5,111
% of present value of scheme liabilities	(11%)	-%	(9%)	(12%)	12%

### 20 Ultimate parent company

The immediate parent undertaking is Bosch Power Tools Holding AG.

The ultimate parent undertaking and controlling party is Robert Bosch GmbH, a company incorporated in Germany.

Robert Bosch GmbH is the parent undertaking of the largest group of undertakings to consolidate these financial statements at 31 December 2014. The consolidated financial statements of Robert Bosch Group are available from Robert Bosch GmbH, Postfach 106050, D-70049 Stuttgart, Germany.

### 21 Related party transactions

As a subsidiary undertaking of Robert Bosch GmbH, the company has taken advantage of the exemption in FRS 8 "Related party disclosures", not to disclose transactions with other members of the group headed by Robert Bosch GmbH.