

Company Registration No. 04895923

Avery Weigh-Tronix Holdings Limited

Annual Report and Financial Statements

For the year ended 31 December 2014

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Avery Weigh-Tronix Holdings Limited

Annual Report and financial statements for the year ended 31 December 2014

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Avery Weigh-Tronix Holdings Limited

Annual Report and financial statements for the year ended 31 December 2014

Officers and professional advisers

Directors

Giles Hudson
Edward Ufland
Philip Deakin

Company Secretary

S&J Registrars Limited

Registered Office

99 Gresham Street
London
United Kingdom
EC2V 7NG

Independent Auditor

Deloitte LLP
Chartered Accountants and Statutory Auditor
Reading
United Kingdom

Avery Weigh-Tronix Holdings Limited

Strategic report

The directors, in preparing this Strategic report, have complied with s414C of the Companies Act 2006. The directors present their annual report and the audited financial statements for the year ended 31 December 2014.

Principal activities

The company is an investment holding company for companies engaged in the design, manufacture, sale, distribution and servicing of weighing and measuring equipment. Its principal subsidiaries are listed in note 12.

Key performance indicators

The directors do not measure the performance of the company through Key Performance Indicators as the company is non-trading and holds investments.

Review of the business and future prospects

The results of the business reflect its status as a holding company.

Avery Weigh-Tronix Holdings Limited, in addition to other related companies has undergone some restructuring in line with ITW's business structure simplification strategy. The rationalization of these legal entities is in order to minimize the administrative and compliance burdens that are currently associated with them. Upon elimination of intercompany balances, and the payment of dividends some of these entities will be able to be struck off.

During the year the company received interest on an inter-company loan of £112,000.

At the date of this report, the directors are not aware of any likely major changes in the company's activities in the coming year.

Results and dividends

The result for the year ended 31 December 2014 is a profit after taxation of £112,000 (2013: £194,919,000).

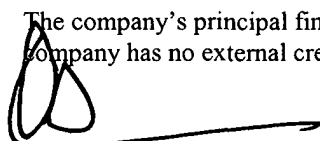
The directors do not recommend the payment of a final dividend (2013: £nil).

Principal risks and uncertainties

The main risk that the company is exposed to is the impairment of investments. The company annually reviews its investments for any indicators of impairment and makes provision as necessary.

Financial risk management policies

The company's principal financial assets are amounts owed by group undertakings and investments. Consequently the company has no external credit, price or liquidity risks.



Giles Hudson
Director

Date

9 March 2015

Avery Weigh-Tronix Holdings Limited

Directors' report

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

Directors

The directors, who served during the year and at the date of this report are listed on page 1.

Going concern

The company has both net assets and net current assets as set out in the balance sheet on page 7. As the company has access to a group banking facility, it consequently has sufficient cash resources to meet any reasonably foreseeable obligation. This facility is due for renewal for a further 12 months in July 2015 and the directors have no reason to believe that this will not be forthcoming. The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, despite the current uncertain economic outlook. Thus, the directors continue to adopt the going concern basis in preparing the financial statements.

Auditor

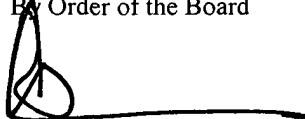
Each of the persons who is a director at the date of approval of this report confirms that:

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

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Deloitte LLP have expressed their willingness to continue in office as the auditor and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

By Order of the Board



Giles Hudson
Director

Date

9 March 2015

Avery Weigh-Tronix Holdings Limited

Directors' responsibilities statement

The directors are responsible for preparing the Annual 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 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.

Independent auditor's report to the members of Avery Weigh-Tronix Holdings Limited

We have audited the financial statements of Avery Weigh-Tronix Holdings Limited for the year ended 31 December 2014 which comprise the profit and loss account, the balance sheet and the related notes 1 to 14. 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 Directors' Responsibilities Statement, 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 Auditing Practising Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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. 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.

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 the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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.



Andrew Hornby (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Reading, United Kingdom

Date 09 March 2015

Avery Weigh-Tronix Holdings Limited

Profit and loss account Year ended 31 December 2014

	Notes	2014 £'000	2013 £'000
Other income		-	-
Other expenses		-	(4,841)
Operating result/ (loss)		-	(4,841)
Impairment of subsidiary undertaking		-	(50,324)
Intercompany dividend received		-	117,396
Intercompany interest received		112	11
Profit on disposal of investment	2	-	131,553
Profit on ordinary activities before taxation	3	112	193,795
Tax credit on profit on ordinary activities	5	-	1,124
Profit for the financial year after taxation	11	112	194,919

There have been no recognised gains or losses during the current year or prior year other than the result shown above. Accordingly, no statement of total recognised gains and losses is presented.

Avery Weigh-Tronix Holdings Limited

Balance sheet

As at 31 December 2014

	Notes	2014 £'000	2013 £'000
Fixed assets			
Investments	6	-	-
Current assets			
Debtors	7	11,422	12,463
Creditors: amounts falling due within one year	8	(11,302)	(12,455)
Net current assets		120	8
Net assets		120	8
Capital and reserves			
Called up share capital	9	-	-
Profit and loss account	10	120	8
Shareholder's funds	11	120	8

The financial statements of Avery Weigh-Tronix Holdings Limited, registered number 04895923 were approved by the Board of Directors and authorised for issue on 9 March 2015.

Signed on behalf of the Board of Directors



Giles Hudson
Director

9 March 2015

Avery Weigh-Tronix Holdings Limited

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

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the current and preceeding year.

Basis of preparation

The financial statements have been prepared in accordance with applicable United Kingdom Accounting Standards and under the historical cost accounting rules.

Group accounts

The company is exempt from the requirements to prepare consolidated financial statements as the company is included within the consolidated financial statements of Illinois Tool Works Inc., the financial statements of which have been prepared in a manner equivalent to the Seventh EU Directive, having regard to UITF Information Sheet 79.

Going concern

The company has both net assets and net current assets as set out in the balance sheet on page 7. As the company has access to a group banking facility, it consequently has sufficient cash resources to meet any reasonably foreseeable obligation. This facility is due for renewal for a further 12 months in July 2015 and the directors have no reason to believe that this will not be forthcoming. The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, despite the current uncertain economic outlook. Thus, the directors continue to adopt the going concern basis in preparing the financial statements.

Cashflow statement

The company has taken advantage of the exemption from preparing a cash flow statement afforded by FRS1 (Revised 1996) "Cash flow statements", as it is a wholly owned subsidiary of Illinois Tool Works Inc. which produces consolidated financial statements including a cash flow statement which are publicly available.

Investments

Fixed asset investments are shown at cost less provision for impairment.

Taxation

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the group's taxable profits and its result as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements. Deferred tax is measured on a non discounted basis.

Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date. All exchange differences are included in the profit and loss account.

Finance costs

Finance costs are recognised in the profit and loss account over the term of the debt at a constant rate on the carrying amount.

Avery Weigh-Tronix Holdings Limited

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

2. Profit on disposal of investment

The profit on disposal of investment has no tax impact.

3. Profit on ordinary activities before taxation

The profit on ordinary activities before taxation is stated after charging:

	2014 £'000	2013 £'000
Net exchange rate loss	-	(4,841)

Audit fees are borne by a fellow group undertaking. The audit fee, if allocated to the company, would be £2,075 (2013: £2,075).

4. Directors and employees

The company had no employees during either financial year and the directors did not receive any remuneration from the company. Three directors (2013: three) are also directors of ITW Limited, a fellow group company. ITW Limited paid the directors £958,717 (2013: £491,817) of emoluments and the directors accrued benefits under a defined benefit scheme. The directors' emoluments have not been apportioned between each fellow group company for which the directors acted and the directors do not feel that any amount should be allocated as group recharges. The emoluments of the highest paid director were £434,070 (2013: £183,200) and the accrued pension entitlement under the company's defined benefit pension schemes of the highest paid director as at 31 December 2014 was £23,963 (2013: £21,887).

5. Tax credit on profit on ordinary activities

The corporation tax credit comprises:

	2014 £'000	2013 £'000
Corporation tax – current year	-	(1,124)
Total tax credit on profit on ordinary activities	-	(1,124)

The difference between the total current tax shown above and the amount calculated by applying the effective rate of UK corporation tax of 21.5% (2013: 23.25%) to the profit before tax is as follows:

	2014 £'000	2013 £'000
Profit on ordinary activities before taxation	112	193,795
Profit on ordinary activities multiplied by standard rate of corporation tax in UK of 21.5% (2013: 23.25%).	24	45,057
Effect of:		
Income not taxable	-	(57,881)
Expenses not allowable	-	11,700
Group relief not paid for	(24)	-
Current tax credit for year	-	(1,124)

Avery Weigh-Tronix Holdings Limited

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

5. Tax credit on profit on ordinary activities (continued)

The Finance Act 2013, which provides for a reductions in the main rate of corporation tax from 23% to 21% effective from 1 April 2014 and to 20% effective from 1 April 2015, was substantively enacted on 2 July 2013.

6. Fixed asset investments – shares in subsidiary undertakings

	Investment in subsidiary undertakings £'000
Cost	
At 1 January 2014 and 31 December 2014	50,324
Provision for impairment	
At 1 January 2014 and 31 December 2014	50,324
Net book value	
At 31 December 2014	-
At 31 December 2013	-

The company's principal subsidiaries are listed in note 12.

7. Debtors: amounts falling due within one year

	2014 £'000	2013 £'000
Amounts owed by group undertakings	11,422	11,339
Corporation tax recoverable	-	1,124
	<u>11,422</u>	<u>12,463</u>

8. Creditors: amounts falling due within one year

	2014 £'000	2013 £'000
Amounts owed to group undertakings	<u>11,302</u>	<u>12,455</u>

The amounts owed to group undertakings are unsecured, non-interest bearing and repayable upon demand.

9. Called up Share capital

	2014 £'000	2013 £'000
Allotted and fully paid		
1 ordinary share of £1 (2013: 1 ordinary shares of £1 each)	<u>-</u>	<u>-</u>

Avery Weigh-Tronix Holdings Limited

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

10. Reserves

	Profit and loss account £'000	Total £'000
At 1 January 2014	8	8
Profit for the financial year	112	112
	<hr/>	<hr/>
At 31 December 2014	120	120
	<hr/>	<hr/>

11. Reconciliation of movement in shareholder's funds/ (deficit)

	2014 £'000	2013 £'000
Opening shareholder's funds/ (deficit)	8	(3,488)
Profit for the financial year	112	194,919
Additional share premium	-	24,165
Dividends paid	-	(215,606)
Debt waiver	-	18
	<hr/>	<hr/>
Closing shareholder's funds	120	8
	<hr/>	<hr/>

12. Principal subsidiaries

The principal subsidiaries of the company are shown below. The company owns directly 100% of the ordinary share capital of all the companies.

Company name	Country of incorporation and operation	Main activity
Avery Weigh-Tronix Finance Limited	Great Britain	Holding company
SWT Holdings BV	The Netherlands	Holding company
Weigh-Tronix Canada, ULC	Canada	Operating company

All operating subsidiaries are engaged in the manufacture, sale and service of weighing equipment.

13. Related party transactions

The company has taken advantage of the exemption under Financial Reporting Standard 8 'Related Party Disclosures' from disclosing related party transactions with other entities that are part of the Illinois Tool Works Inc. group.

Avery Weigh-Tronix Holdings Limited

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

14. Ultimate and immediate parent undertaking

The ultimate parent undertaking of the company is Illinois Tool Works Inc., a company registered in the State of Delaware, USA.

The immediate parent undertaking of the company is A V CO 3 Limited, a company incorporated in the United Kingdom.

The only group in which the results of Avery Weigh-Tronix Holdings Limited are consolidated is that headed by Illinois Tool Works Inc. The consolidated financial statements of this group are available to the public and may be obtained from Illinois Tool Works Inc., 3600 West Lake Avenue, Glenview, Illinois 60025, United States of America.