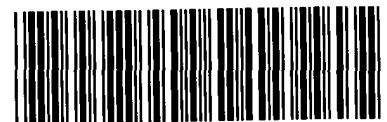


**GD First (UK) Limited**  
**Annual Report and Financial Statements**  
**For the year ended 31 December 2017**

Registered number: 04955958

TUESDAY



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**GD First (UK) Limited**  
**Annual Report and Financial Statements**  
**For the year ended 31 December 2017**

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**GD First (UK) Limited**  
**For the year ended 31 December 2017**

**Officers and Professional Advisers**

**Directors**

M.R. Sweeney  
A.R. Schiesl

**Company Secretary**

M.E. Grummett

**Registered Office**

Springmill Street  
Bradford  
West Yorkshire  
BD5 7HW

GD First (UK) Limited is a private company limited by shares and registered in England and Wales.

**Auditor**

Deloitte LLP  
Statutory Auditor  
Four Brindleyplace  
Birmingham  
United Kingdom  
B1 2HZ

**Bankers**

HSBC plc  
62-76 Park Street  
London  
United Kingdom  
SE1 9DZ

## **GD First (UK) Limited**

**For the year ended 31 December 2017**

### **Strategic Report**

#### **Principal activity and review of the business**

The company's principal activity during the year was that of a non trading undertaking. The directors do not expect any changes in the principal activity during the next financial year.

#### **Key performance indicators**

Key performance indicator of the company is profit after taxation. Profit after taxation for the year ended 31 December 2017 is £36,256 (2016: £4,422). There are no applicable non-financial performance indicators for the company.

#### **Future Developments**

The company is expected to continue as a non trading company with no current plans to be liquidated.

By order of the Board



M.R. Sweeney  
Director

Date July 19, 2018

## **GD First (UK) Limited**

**For the year ended 31 December 2017**

### **Directors' Report**

The directors present the annual report and audited financial statements for the year ended 31 December 2017.

Principal activities and future developments are discussed in the strategic report.

#### **Results and dividends**

The profit for the year after taxation amounted to £36,256 (2016: £4,422).

An interim dividend was not declared and paid during the year (2016: none). The directors do not recommend payment of a final dividend (2016: £nil).

#### **Going concern**

The directors note that the company is now in a net current assets position. The financial statements have been prepared on a going concern basis, which assumes that the company will continue in operational existence for the foreseeable future. The directors are of the view that the company has adequate resources to be able to meet its liabilities as and when they fall due for a period of at least 12 months from the approval of these financial statements. The directors have also received a letter of support from Gardner Denver Inc., its ultimate operating parent undertaking which states its intent to provide the necessary financial support to ensure the company is a going concern for at least twelve months from the date of signing these financial statements.

#### **Directors**

The directors who served the company during the year and to the date of this report were as follows:

M.R. Sweeney  
A.R. Schiesl

#### **Director's indemnities**

The company has made qualifying third party indemnity provisions for the benefit of its directors which were in force during the year and remain in force at the date of this report.

#### **Principal risks and uncertainties**

The company is not actively trading, and therefore has no material principal risks and uncertainties.

#### **Political and charitable contributions**

There were no political contributions or charitable donations during the year (2016: none).

#### **Auditor**

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

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

**GD First (UK) Limited**

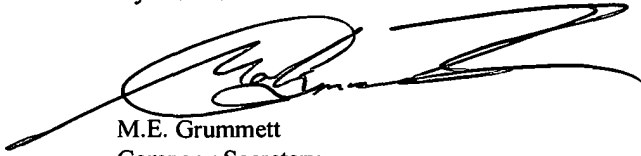
**For the year ended 31 December 2017**

**Directors' Report (continued)**

This information is given, and should be interpreted, in accordance with the provisions of section 418 of the Companies Act 2006.

A resolution to reappoint Deloitte LLP as auditor will be put to the member at the Annual General Meeting.

By order of the Board

A handwritten signature in black ink, appearing to read 'M.E. Grummett', written over a horizontal line.

M.E. Grummett  
Company Secretary

Date 19 July 2018 .

## **GD First (UK) Limited**

### **For the year ended 31 December 2017**

#### **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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". 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.

**GD First (UK) Limited**  
**For the year ended 31 December 2017**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF GD FIRST (UK) LIMITED**

**Report on the audit of the financial statements**

**Opinion**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of GD First (UK) Limited (the 'company') which comprise:

- the profit and loss account;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 10.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.



## **GD First (UK) Limited**

### **For the year ended 31 December 2017**

#### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF GD FIRST (UK) LIMITED (continued)**

##### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

##### **Responsibilities of directors**

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

##### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

##### **Use of our report**

This report is made solely to the company's member, 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 member 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 member as a body, for our audit work, for this report, or for the opinions we have formed.

**GD First (UK) Limited**  
**For the year ended 31 December 2017**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF GD FIRST (UK) LIMITED (continued)**

**Report on other legal and regulatory requirements**

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- 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; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

**Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required to report in respect of the following matters 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.

We have nothing to report in respect of these matters.

*R Duffy*

Ryan Duffy (Senior statutory auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

Birmingham, United Kingdom

*19 July 2018*

## **GD First (UK) Limited**

### **Profit and Loss Account For the year ended 31 December 2017**

	<b>Note</b>	<b>2017 £</b>	<b>2016 £</b>
Administrative expenses		(12)	(5)
<b>Operating loss</b>	<b>3</b>	(12)	(5)
Finance income	<b>4</b>	36,268	4,427
<b>Profit before taxation</b>		36,256	4,422
Tax on profit	<b>5</b>	-	-
<b>Profit for the financial year</b>		<u>36,256</u>	<u>4,422</u>

The results for the years shown above all derive from continuing operations and there are no other items of comprehensive income.

Notes to the financial statements on pages 12 - 16 form an integral part of the financial statements.

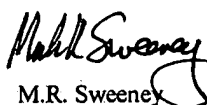
**GD First (UK) Limited**  
**Balance Sheet**  
**As at 31 December 2017**

	Note	2017 £	2016 £
<b>Current assets</b>			
Debtors	6	2,709,250	2,672,999
Cash at bank and in hand		<u>22,755</u>	<u>23,206</u>
		2,732,005	2,696,205
<b>Creditors: amounts falling due within one year</b>	7	<u>(22,755)</u>	<u>(23,211)</u>
<b>Net current assets</b>		<u>2,709,250</u>	<u>2,672,994</u>
<b>Total assets less current liabilities</b>		<u>2,709,250</u>	<u>2,672,994</u>
<b>Net assets</b>		<u>2,709,250</u>	<u>2,672,994</u>
<b>Capital and reserves</b>			
Called up share capital	8	10	10
Profit and loss account		<u>2,709,240</u>	<u>2,672,984</u>
<b>Shareholders' funds</b>		<u>2,709,250</u>	<u>2,672,994</u>

Notes to the financial statements on pages 12-16 form an integral part of the financial statements.

The financial statements of GD First (UK) Limited (registered number 04955958) were approved by the board of directors and authorised for issue on

They were signed on its behalf by:



M.R. Sweeney  
Director

Date July 19, 2018

**GD First (UK) Limited**  
**Statement of Changes in Equity**  
**For the year ended 31 December 2017**

	<b>Called up Share Capital £</b>	<b>Share premium account £</b>	<b>Profit and Loss Account £</b>	<b>Total £</b>
<b>At 1 January 2016</b>	10	-	2,668,562	2,668,572
Profit for the financial year and total comprehensive income	-	-	4,422	4,422
<b>At 31 December 2016</b>	10	-	2,672,984	2,672,994
Profit for the financial year and total comprehensive income	-	-	36,256	36,256
<b>At 31 December 2017</b>	10	-	2,709,240	2,709,250

Notes to the financial statements on pages 12 - 16 form an integral part of the financial statements.

# **GD First (UK) Limited**

## **Notes to the financial statements**

### **For the year ended 31 December 2017**

#### **1. Accounting policies**

##### **Basis of preparation**

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

##### **Basis of accounting**

GD First (UK) Limited is a private company limited by shares, incorporated in the United Kingdom under the Companies Act and registered in England and Wales. The address of the registered office is given on page 1. The nature of the company's operations and its principal activities are set out in the strategic report on page 2.

The financial statements have been prepared under the historical cost convention, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The functional currency of GD First (UK) Limited is considered to be Pound Sterling because that is the currency of the primary economic environment in which the company operates.

GD First (UK) Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. GD First (UK) s Limited is consolidated in the financial statements of its ultimate parent undertaking, Gardner Denver Holdings Inc., which may be obtained from the address in note 10. Exemptions have been taken in these separate Company financial statements in relation to share-based payments, financial instruments, presentation of a cash flow statement, related party transactions and remuneration of key management personnel.

##### **Going concern**

The directors note that the company is now in a net current assets position. The financial statements have been prepared on a going concern basis, which assumes that the company will continue in operational existence for the foreseeable future. The directors are of the view that the company has adequate resources to be able to meet its liabilities as and when they fall due for a period of at least 12 months from the approval of these financial statements. The directors have also received a letter of support from Gardner Denver Inc., its ultimate operating parent undertaking which states its intent to provide the necessary financial support to ensure the company is a going concern for at least twelve months from the date of signing these financial statements.

##### **Taxation**

Current tax, including UK corporation tax and foreign 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 company's taxable profits and its results 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.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, 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.

When the amount that can be deducted for tax for an asset that is recognised in a business combination is less (more) than the value at which it is recognised, a deferred tax liability (asset) is recognised for the additional tax that will be paid (avoided) in respect of that difference. Similarly, a deferred tax asset (liability) is recognised for the additional tax that will be avoided (paid) because of a difference between the value at which a liability is recognised and the amount that will be assessed for tax.

**GD First (UK) Limited**  
**Notes to the financial statements (continued)**  
**For the year ended 31 December 2017**

**1. Accounting policies (continued)**

**Taxation (continued)**

Deferred tax liabilities are recognised for timing differences arising from investments in subsidiaries and associates, except where the company is able to control the reversal of the timing difference and it is probable that it will not reverse in the foreseeable future.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference. Deferred tax relating to property, plant and equipment measured using the revaluation model and investment property is measured using the tax rates and allowances that apply to sale of the asset.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset only if: a) the company has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

**Foreign currencies**

Foreign currency assets and liabilities are translated into sterling at the rates of exchange ruling at the balance sheet date or, if hedged forward, at the rate of exchange under the related forward currency contract rate. Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Gains or losses arising in the ordinary course of business are dealt with in arriving at operating profit.

**Dividend income**

Dividends income is recognised when the company's right to receive payment is established. The company no longer receives dividends as it no longer holds any investments.

**Interest income**

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

**Financial assets and liabilities**

All financial assets and liabilities are initially measured at transaction price except for those financial items classified at fair value.

**2. Critical accounting judgements and key sources of estimation uncertainty**

In the application of the company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. There are no key sources of estimation uncertainty.

**GD First (UK) Limited**  
**Notes to the financial statements (continued)**  
**For the year ended 31 December 2017**

*Critical judgements in applying the company's accounting policies*

There are no critical judgements that the directors have made in the process of applying the company's accounting policies.

**3. Operating loss**

The company directors are remunerated through another company within the group. Directors were not remunerated for the service to this company.

No persons were employed by the Company during the year (2016: none).

Fees payable to the company's auditor for the audit of the company's annual financial statements are £5,000 (2016: £5,000). The auditor's remuneration, in respect of the audit of these financial statements, in both years was borne by a fellow group undertaking, Gardner Denver Limited, and not recharged. There were no non-audit fees in the year (2016: £nil).

**4. Finance income**

**Interest receivable and similar income**

	2017 £	2016 £
Interest receivable on group loans	<u>36,268</u>	<u>4,427</u>

**5. Tax on profit on ordinary activities**

The tax charge comprises:

	2017 £	2016 £
<b>Current tax on profit on ordinary activities</b>		
UK corporation tax	-	-
Adjustments in respect of prior years	-	-
	<u>          </u>	<u>          </u>
<b>Total current tax credit</b>	<u>          </u>	<u>          </u>
	-	-
<b>Total tax on profit on ordinary activities</b>	<u>          </u>	<u>          </u>

The standard rate of tax applied to the reported profit on ordinary activities is 19.25 % (2016: 20%). From 1 April 2017, the standard rate of corporation tax reduced to 19% and from 1 April 2020 reduces to 17%.

The difference between the total tax charge shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:



**GD First (UK) Limited**  
**Notes to the financial statements (continued)**  
**For the year ended 31 December 2017**

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

	2017 £	2016 £
<b>Profit on ordinary activities before tax</b>	<u>36,256</u>	<u>4,422</u>
Tax on profit on ordinary activities at standard UK corporation tax rate of 19.25% (2016: 20%)	6,978	884
Effects of:		
- Deferred tax not recognised	-	(884)
- Group relief claimed	<u>(6,978)</u>	<u>-</u>
<b>Total tax credit for the year</b>	<u>-</u>	<u>-</u>

A deferred tax asset has not been recognised on losses carried forward of £nil (2016: £144,825) as these are not expected to be recoverable.

**6. Debtors**

	2017 £	2016 £
Amount owed by group undertaking – group tax relief	1,686,552	1,686,552
Other amounts owed by group undertaking	<u>1,022,698</u>	<u>986,447</u>
	<u>2,709,250</u>	<u>2,672,999</u>

Amount owed by group undertaking – group tax relief does not have fixed repayment terms and is unsecured and accrues no interest. Other amounts owed by group undertaking do not have fixed repayment terms and are unsecured and accrue interest at 3.75% per annum.

**7. Creditors: amounts falling due within one year**

	2017 £	2016 £
Bank overdraft	-	5
Accruals	<u>22,755</u>	<u>23,206</u>
	<u>22,755</u>	<u>23,211</u>

The company has an unsecured cash pooling overdraft arrangement with other fellow UK group undertakings at HSBC Bank plc that is repayable on demand.

**GD First (UK) Limited**  
**Notes to the financial statements (continued)**  
**For the year ended 31 December 2017**

**8. Called up share capital**

		2017		2016
<i>Allotted, called up and fully paid</i>	No.	£	No.	£
Ordinary shares of 1p each	1,000	10	1,000	10
		<u>10</u>		<u>10</u>

**9. Contingent liabilities**

The company is currently undergoing an enquiry by HMRC with regards to its 2012 tax returns. The enquiry is in connection with the financing structure put in place for an acquisition made in prior years. Management have not recognised a provision in relation to the enquiries as they believe they have a defensible position. The maximum exposure (including interest and penalties) is £6.9m.

**10. Ultimate parent undertaking and controlling party**

At the balance sheet date the company's immediate parent undertaking was GD Global Holdings CV a company incorporated in the Netherlands.

At this time the company's ultimate parent undertaking and controlling related party was Gardner Denver Holdings Inc., 222, East Erie Street, Milwaukee, WI 53202, USA, incorporated in the USA, and its results are included in the financial statements of that company. Gardner Denver Holdings Inc, is the smallest and the largest group into which the company is consolidated. The group financial statements of Gardner Denver Holdings Inc. are available on request from Gardner Denver International Limited, Springmill Street, Bradford, BD5 7HW.

The ultimate controlling party was Kohlberg Kravis & Co L P (together with its affiliates, "KKR").