

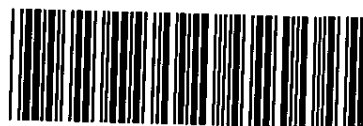
Registered number 05436932

LGH HOLDINGS LIMITED

ANNUAL REPORT

FOR THE YEAR ENDED 30 APRIL 2012

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COMPANIES HOUSE

LGH HOLDINGS LIMITED

COMPANY INFORMATION

Directors	W B Parkinson I W Parkinson S H Butterworth G J Worswick
Company number	05436932
Registered office	Gryphon Works Wimsey Way Alfreton Trading Estate Alfreton Derbyshire DE55 4LS
Auditor	PKF (UK) LLP Regent House Clinton Avenue Nottingham NG5 1AZ
Bankers	National Westminster PLC 1 Spinningfields Square Manchester M3 3AP
Solicitors	Dootson Eckersley Hope 61-63 Church Street Leigh Lancashire WN7 1AY

LGH HOLDINGS LIMITED

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LGH HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 APRIL 2012

The directors present their report and the financial statements for the year ended 30 April 2012

Principal activities

The principal activities of the group are the hire, sale, repair, service and testing of winching, high level access and other industrial equipment

Business review

The substantial increase in revenues has arisen in both hire and sales activities across the group's major markets. The slight reduction in gross margin reflects the different mix of activities in the year. Overall the group has achieved improved operating profit and operating margin in the year, before exceptional items.

Stock values have continued to fall and overall net cash has increased. However the result of the FRS17 valuation at 30th April 2012 has been to increase the pension scheme liability, reversing the previous year's reduction in liability.

Principal risks and uncertainties

The principal risks and uncertainties for the group are the activity levels in the group's main markets, the level of future contributions to be made to the pension scheme and the level of bad debts. Insurance policies are maintained to cover major risks for injury, damage and loss.

Results

The profit for the year, after taxation, amounted to £487,000 (2011 - £158,000)

Directors

The directors who served during the year were

W B Parkinson
I W Parkinson
S H Butterworth
G J Worswick

Financial instruments

The group's operations expose it to a variety of financial risks that include interest rate risk and credit risk. The group cannot avoid interest rate risk as all of the group's bank borrowings are at variable rates of interest, although most of the hire purchase and finance lease borrowing is at fixed rates. The group does not use financial instruments to manage interest rate costs.

The group has firm policies that credit checks are made on customers before sales are made and credit limits are applied subsequently. The amount of exposure to all customers is kept under constant review.

The group has no exposure to equity securities price risk and a very limited exposure to commodity price risk and currency risk.

The group maintains a mixture of short and medium term debt finance so that sufficient funds are available for operations and ongoing capital expenditure.

LGH HOLDINGS LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 30 APRIL 2012**

Qualifying third party indemnity provisions

Third party indemnity insurance was in force during the financial period for the benefit of certain directors of the group

Provision of information to auditor

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

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

This report was approved by the board and signed on its behalf



S H Butterworth
Director

Date 12 October 2012

LGH HOLDINGS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 30 APRIL 2012

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions, to disclose with reasonable accuracy at any time the financial position of the group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

LGH HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LGH HOLDINGS LIMITED

We have audited the financial statements of LGH Holdings Limited for the year ended 30 April 2012 which comprise the consolidated profit and loss account, the consolidated statement of total recognised gains and losses, the consolidated and company balance sheets, the consolidated cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the 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 Practices 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 group's and the parent 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. 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 group's and the parent company's affairs as at 30 April 2012 and of the group's 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

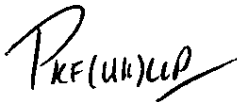
LGH HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LGH HOLDINGS LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company 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

A handwritten signature in black ink, appearing to read 'PKF(UK)LLP' with a stylized flourish.

Gareth Singleton (Senior statutory auditor)
for and behalf of PKF (UK) LLP, Statutory auditor
Nottingham, UK
12 October 2012

LGH HOLDINGS LIMITED

**CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 APRIL 2012**

	Note	2012 £000	2011 £000
TURNOVER	1,2	6,662	5,146
Cost of sales		<u>(3,577)</u>	<u>(2,674)</u>
GROSS PROFIT		3,085	2,472
Administrative expenses		(2,513)	(2,181)
Exceptional administrative expenses		-	200
Total administrative expenses		<u>(2,513)</u>	<u>(1,981)</u>
OPERATING PROFIT	3	572	491
Interest payable and similar charges	6	(3)	(17)
Other finance income	7	<u>(34)</u>	<u>(160)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		535	314
Tax on profit on ordinary activities	8	<u>(48)</u>	<u>(156)</u>
PROFIT FOR THE FINANCIAL YEAR	18	<u>487</u>	<u>158</u>

All amounts relate to continuing operations

The notes on pages 12 to 30 form part of these financial statements

LGH HOLDINGS LIMITED

**CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 30 APRIL 2012**

	Note	2012 £000	2011 £000
PROFIT FOR THE FINANCIAL YEAR		487	158
Actuarial (loss) / gain related to pension scheme	25	(1,579)	1,344
Deferred tax attributable to actuarial loss / (gain)	25	<u>379</u>	<u>(349)</u>
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR		<u>(713)</u>	<u>1,153</u>

The notes on pages 12 to 30 form part of these financial statements

LGH HOLDINGS LIMITED
REGISTERED NUMBER 05436932

CONSOLIDATED BALANCE SHEET
AS AT 30 APRIL 2012

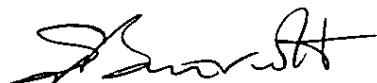
	Note	2012 £000	2011 £000
FIXED ASSETS			
Tangible assets	9	1,062	1,111
Investments in joint ventures			
-Share of gross assets		82	82
Share of net assets	10	82	82
		1,144	1,193
CURRENT ASSETS			
Stocks	11	451	660
Debtors	12	2,658	2,523
Cash at bank and in hand		458	326
		3,567	3,509
CREDITORS amounts falling due within one year	13	(1,621)	(1,468)
NET CURRENT ASSETS		1,946	2,041
TOTAL ASSETS LESS CURRENT LIABILITIES		3,090	3,234
CREDITORS amounts falling due after more than one year	14	(25)	(34)
PROVISIONS FOR LIABILITIES			
Other provisions	16	(60)	(60)
NET ASSETS EXCLUDING PENSION SCHEME ASSETS/(LIABILITIES)		3,005	3,140
Defined benefit pension scheme liability	25	(2,172)	(1,594)
NET ASSETS INCLUDING PENSION SCHEME ASSETS/(LIABILITIES)		833	1,546

LGH HOLDINGS LIMITED

**CONSOLIDATED BALANCE SHEET (continued)
AS AT 30 APRIL 2012**

	Note	2012 £000	2011 £000
CAPITAL AND RESERVES			
Called up share capital	17	100	100
Other reserves	18	1,018	1,018
Profit and loss account	18	(300)	413
SHAREHOLDERS' FUNDS	19	818	1,531
MINORITY INTERESTS	20	15	15
		833	1,546

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



S H Butterworth
Director

Date 12 October 2012

The notes on pages 12 to 30 form part of these financial statements

LGH HOLDINGS LIMITED
REGISTERED NUMBER 05436932

COMPANY BALANCE SHEET
AS AT 30 APRIL 2012

	Note	2012 £000	2011 £000
FIXED ASSETS			
Investments	10	<u>100</u>	<u>100</u>
NET ASSETS		<u><u>100</u></u>	<u><u>100</u></u>
CAPITAL AND RESERVES			
Called up share capital	17	<u>100</u>	<u>100</u>
SHAREHOLDERS' FUNDS	19	<u><u>100</u></u>	<u><u>100</u></u>

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



S H Butterworth
Director

Date 12 October 2012

The notes on pages 12 to 30 form part of these financial statements

LGH HOLDINGS LIMITED

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 APRIL 2012**

	Note	2012 £000	2011 £000
Net cash flow from operating activities	21	(318)	998
Returns on investments and servicing of finance	22	(21)	(10)
Taxation		-	(3)
Capital expenditure and financial investment	22	502	(148)
CASH INFLOW BEFORE FINANCING		163	837
Financing	22	(181)	(406)
(DECREASE)/INCREASE IN CASH IN THE YEAR		(18)	431

**CONSOLIDATED RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT
FOR THE YEAR ENDED 30 APRIL 2012**

	2012 £000	2011 £000
(Decrease)/Increase in cash in the year	(18)	431
Cash outflow from decrease in debt and lease financing	181	424
CHANGE IN NET DEBT RESULTING FROM CASH FLOWS	163	855
New finance lease	(21)	(64)
Accrued interest on other borrowings	-	(7)
Interest released on other borrowings	18	-
MOVEMENT IN NET DEBT IN THE YEAR	160	784
Net debt at 1 May 2011	(198)	(982)
NET DEBT AT 30 APRIL 2012	(38)	(198)

The notes on pages 12 to 30 form part of these financial statements

LGH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2012

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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

1.2 Basis of consolidation

The financial statements consolidate the accounts of LGH Holdings Limited and all of its subsidiary undertakings ('subsidiaries')

1.3 Turnover

Turnover, which excludes value added tax and trade discounts, represents the invoiced value of goods and services supplied. Turnover is recognised on despatch of product for sale items and on reaching the minimum hire period for rental equipment

1.4 Finance and operating leases income

Leases in which the risks and rewards of ownership remain with the company are treated as operating leases and the income is recognised on a straight line basis over the period of hire

The terms of sale of the company's rigging assets are covered by a finance lease drawn up for this specific purpose. Debtors under this finance lease represent outstanding amounts due under the agreement less finance charges allocated to future periods. Finance lease interest is recognised as income in the period in which payments are received

1.5 Long-term contracts

Attributable profit on contracts is recognised once their outcome can be assessed with reasonable certainty. The profit recognised reflects the proportion of work completed to date on the project

Amounts recoverable on contracts represents the value of work done at the lower of costs plus attributable profit and net realisable value, for which no invoice has been raised, but which is reflected within activity in the profit and loss account

When cumulative payments on account and advanced invoicing exceed work done for a contract, the excess is included in creditors as payments received on account

Full provision is made for losses on all contracts in the period in which the loss is first foreseen

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

Freehold property	-	15 - 2% straight line
Plant & machinery	-	12 - 24% straight line
Motor vehicles	-	33% straight line
Hire equipment	-	12 - 24% straight line

Freehold land is not depreciated

LGH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2012

1 ACCOUNTING POLICIES (continued)

1.7 Impairment of fixed assets

If events or changes in circumstances indicate that the carrying value of fixed assets may not be recoverable, the need for any fixed asset impairment provision is assessed by comparing the carrying value of the asset against the higher of its net realisable value and its value in use. The value in use is determined by discounting estimated future cash flows expected to be derived from the asset, or if more applicable, the income generating unit, to net present value. The discount rate used is the company's weighted average cost of capital.

1.8 Investments

- (i) **Company**
Investments are valued at cost less provision for impairment.
- (ii) **Group**
Investments in joint ventures are stated at the group's share of net assets. The group's share of the profits or losses of the joint ventures is included in the profit and loss account using the equity accounting basis.

1.9 Leasing and hire purchase

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

1.10 Operating leases

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.11 Stocks

Stocks are stated at the lower of cost and net realisable value. Cost is determined on an average cost basis and includes transport and handling costs. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving and defective stocks.

1.12 Transfer to Fixed assets

Assets transferred from stock to fixed assets are done at the lower of cost and net realisable value at the date of transfer with any provision made at that date charged to the profit and loss account.

Where the asset is transferred at its net realisable amount it is stated as being carried at valuation.

LGH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2012

1 ACCOUNTING POLICIES (continued)

1.13 Deferred taxation

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

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

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

Deferred tax assets and liabilities are not discounted

1.14 Foreign currencies

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

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

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

1.15 Pensions

The company operates a defined benefit pension scheme and the pension charge is based on an actuarial valuation as set out in note 25. The pension charge is based on a full actuarial valuation in accordance with FRS17 Retirement benefits dated 6 April 2010.

The amounts charged to operating profit in respect of this scheme are the current service costs and any gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are charged to operating profit immediately if the benefits have vested. If the benefits have not vested immediately, the costs are recognised by equal annual instalments over the period until vesting occurs.

The interest cost and the expected return on assets are included as other finance income.

Actuarial gains and losses net of deferred tax are recognised immediately in the statement of total recognised gains and losses.

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

LGH HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2012**

2 TURNOVER

All the company's activities originate in the UK

A geographical analysis of turnover is as follows

	2012	2011
	£000	£000
United Kingdom	4,824	4,918
Rest of the European Union	790	215
Rest of the world	1,048	13
	<hr/> 6,662 <hr/>	<hr/> 5,146 <hr/>

Further segmental analysis has been omitted, as the directors believe it to be too commercially sensitive for publication

Included within turnover are amounts totalling £Nil (2011 - £Nil) in respect of the joint venture

3. OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	2012	2011
	£000	£000
Depreciation of tangible fixed assets		
- owned by the group	277	303
- held under finance leases	55	108
Auditor's remuneration	16	15
Operating lease rentals		
- plant and machinery	21	16
- other operating leases	117	117
Difference on foreign exchange	(35)	-
	<hr/> <hr/>	<hr/> <hr/>

LGH HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2012**

4 STAFF COSTS

Staff costs, including directors' remuneration, were as follows

	2012	2011
	£000	£000
Wages and salaries	2,126	1,813
Social security costs	235	210
Other pension costs (note 25)	56	52
	<hr/> 2,417 <hr/>	<hr/> 2,075 <hr/>

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

	2012	2011
	No	No
Selling and administration	26	26
Production	30	30
	<hr/> 56 <hr/>	<hr/> 56 <hr/>

5. DIRECTORS' REMUNERATION

	2012	2011
	£000	£000
Emoluments	385	387
	<hr/> 385 <hr/>	<hr/> 387 <hr/>
Company pension contributions to defined contribution pension schemes	13	14
	<hr/> 13 <hr/>	<hr/> 14 <hr/>

During the year retirement benefits were accruing to 3 directors (2011 - 3) in respect of defined contribution pension schemes

During the year retirement benefits were accruing to 2 directors (2011 - 2) in respect of defined benefit pension schemes

The highest paid director received remuneration of £232,000 (2011 - £224,000)

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £8,000 (2011 - £8,000)

The highest paid director does participate in the defined benefit scheme

LGH HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2012**

6 INTEREST PAYABLE

	2012	2011
	£000	£000
On bank overdrafts	7	4
On other loans	7	7
On finance leases and hire purchase contracts	7	6
Write back of interest accrued on related party loans	(18)	-
	<u>3</u>	<u>17</u>
	<u><u>3</u></u>	<u><u>17</u></u>

7 OTHER FINANCE INCOME

	2012	2011
	£000	£000
Expected return on pension scheme assets	672	598
Interest on pension scheme liabilities	(706)	(758)
	<u>(34)</u>	<u>(160)</u>
	<u><u>(34)</u></u>	<u><u>(160)</u></u>

LGH HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2012**

8 TAXATION

	2012 £000	2011 £000
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	-	-
Deferred tax		
Origination and reversal of timing differences	(205)	75
Pension scheme movement	253	81
Total deferred tax (see note 15)	48	156
Tax on profit on ordinary activities	48	156

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2011 - lower than) the standard rate of corporation tax in the UK of 20% (2011 - 20%) The differences are explained below

	2012 £000	2011 £000
Profit on ordinary activities before tax	535	314
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2011 - 20%)	107	63
Effects of		
Expenses not deductible for tax purposes	(7)	(2)
Capital allowances for year in excess of depreciation	(4)	4
Non-taxable income	(10)	(40)
Pension allowances	(106)	(9)
Tox losses utilised	-	(17)
Tax losses carried forward	20	-
Effect of change of tax rate during the year	-	1
Current tax charge for the year (see note above)	-	-

Factors that may affect future tax charges

Based on current capital investment plans, the company expects to continue to be able to claim capital allowances in excess of depreciation in future years at a similar level to the current year

The provision for deferred tax is calculated based on the tax rates enacted or substantially enacted at the balance sheet date The Chancellor of the Exchequer announced in his Budget on 21 March 2012 that the rate of corporation tax of 26% will be reduced by 2 percentage points with effect from 1 April 2012 and a further 1 percentage point per year until 2014 when it will remain at 22% As at the balance sheet date, the rate of 24% has been enacted

LGH HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2012**

9. TANGIBLE FIXED ASSETS

Group	Freehold property £000	Plant & machinery £000	Other fixed assets £000	Total £000
Cost				
At 1 May 2011	491	5,938	1,845	8,274
Additions	-	210	73	283
Disposals	-	(34)	(42)	(76)
At 30 April 2012	491	6,114	1,876	8,481
Depreciation				
At 1 May 2011	101	5,428	1,634	7,163
Charge for the year	5	248	79	332
On disposals	-	(34)	(42)	(76)
At 30 April 2012	106	5,642	1,671	7,419
Net book value				
At 30 April 2012	385	472	205	1,062
At 30 April 2011	390	510	211	1,111

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

Group	2012 £000	2011 £000
Plant and machinery	-	91
Other fixed assets	54	81
	<u>54</u>	<u>172</u>

Included in freehold property is freehold land at £230,000 (2011 - £230,000) which is not depreciated

LGH HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2012**

10. FIXED ASSET INVESTMENTS

		Investment in joint ventures £000
Group		
Cost or valuation		
At 1 May 2011 and 30 April 2012		<u>82</u>
Net book value		
At 30 April 2012		<u>82</u>
At 30 April 2011		<u>82</u>
		Investment in subsidiary companies £000
Company		
Cost or valuation		
At 1 May 2011 and 30 April 2012		<u>100</u>
Net book value		
At 30 April 2012		<u>100</u>
At 30 April 2011		<u>100</u>

Details of the principal subsidiaries and joint ventures can be found under note number 29

11. STOCKS

	Group		Company	
	2012 £000	2011 £000	2012 £000	2011 £000
Goods for resale or lease	153	308	-	-
Work in progress	45	52	-	-
Spares for resale or component maintenance	253	300	-	-
	<u>451</u>	<u>660</u>	<u>-</u>	<u>-</u>

LGH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2012

12 DEBTORS

	<u>Group</u>		<u>Company</u>	
	2012	2011	2012	2011
	£000	£000	£000	£000
Due after more than one year				
Amounts owed by related companies	417	991	-	-
Due within one year				
Trade debtors	1,660	1,013	-	-
Amounts owed by related company	146	175	-	-
Other debtors	62	241	-	-
Prepayments and accrued income	80	67	-	-
Amounts recoverable on long term contracts	52	-	-	-
Deferred tax asset (see note 15)	241	36	-	-
	2,658	2,523	-	-

Included in other debtors is an amount of £Nil (2011 - £100,000) which relates to a bank account held in the name of the group which indemnifies borrowings made to LGH Hysmaterieel BV and LGH GmbH, related companies under common control, from their respective lenders

Also included within other debtors is £59,000 (2011 - £125,000) in respect of finance lease debtors where the group acts as a lessor. The cost of assets acquired for this purpose is £349,000 (2011 - £349,000)

13. CREDITORS:

Amounts falling due within one year

	<u>Group</u>		<u>Company</u>	
	2012	2011	2012	2011
	£000	£000	£000	£000
Other loans	-	128	-	-
Net obligations under finance leases and hire purchase contracts	29	70	-	-
Trade creditors	563	620	-	-
Amounts owed to joint ventures	163	163	-	-
Social security and other taxes	235	142	-	-
Proceeds of factored debts	279	129	-	-
Accruals and deferred income	352	216	-	-
	1,621	1,468	-	-

Proceeds of factored debts are secured on the trade debtors of the group. Interest is charged at varying commercial rates.

Amounts due to joint ventures are unsecured, interest free and are repayable on demand.

Obligations under finance leases and hire purchase contracts are secured over the assets to which they relate.

LGH HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2012**

14 CREDITORS.

Amounts falling due after more than one year

	Group		Company	
	2012	2011	2012	2011
	£000	£000	£000	£000
Net obligations under finance leases and hire purchase contracts	25	34	-	-

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

	Group		Company	
	2012	2011	2012	2011
	£000	£000	£000	£000
Between one and five years	25	34	-	-

Obligations under finance leases and hire purchase contracts are secured over the assets to which they relate

15. DEFERRED TAXATION

	Group		Company	
	2012	2011	2012	2011
	£000	£000	£000	£000
At beginning of year	36	111	-	-
Movement in the year	205	(75)	-	-
At end of year	241	36	-	-

The deferred taxation balance is made up as follows

	Group		Company	
	2012	2011	2012	2011
	£000	£000	£000	£000
Excess of depreciation over capital allowances	102	134	-	-
Short-term timing differences	29	(125)	-	-
Unutilised losses	27	27	-	-
Deferred pension relief	83	-	-	-
	241	36	-	-

LGH HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2012**

16 PROVISIONS

	Dilapidation provisions £000
Group	
At 1 May 2011 and 30 April 2012	<u><u>60</u></u>

Dilapidation provisions

The dilapidation provision at the year end represents the directors' best estimate of the anticipated costs to repair and maintain the group's leasehold premises in accordance with the terms of the lease. The timing and reversal of the provision is dependent on ongoing negotiations by the directors.

The Company has no provisions.

17 SHARE CAPITAL

	2012 £000	2011 £000
Allotted, called up and fully paid		
100,000 Ordinary shares of £1 each	<u><u>100</u></u>	<u><u>100</u></u>

18 RESERVES

	Other reserves £000	Profit and loss account £000
Group		
At 1 May 2011	1,018	413
Profit for the year		487
Pension reserve movement		(1,200)
At 30 April 2012	<u><u>1,018</u></u>	<u><u>(300)</u></u>

The cumulative amount of goodwill written off to reserves at 30 April 2012 is £872,721 (2011 - £872,721).

LGH HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2012**

19 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2012	2011
	£000	£000
Group		
Opening shareholders' funds	1,531	360
Profit for the year	487	158
Other recognised gains and losses during the year	(1,200)	995
Capital contribution towards pension contributions in year	-	18
	<u>818</u>	<u>1,531</u>
Closing shareholders' funds		
	<u>818</u>	<u>1,531</u>
 Company	 2012	 2011
	£000	£000
Shareholders' funds at 1 May 2011 and 30 April 2012	<u>100</u>	<u>100</u>

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own profit and loss account

The profit for the year dealt with in the accounts of the company was £NIL (2011 - £NIL)

20 MINORITY INTERESTS

Equity	£000
At 1 May 2011 and 30 April 2012	<u>15</u>

21 NET CASH FLOW FROM OPERATING ACTIVITIES

	2012	2011
	£000	£000
Operating profit	572	491
Depreciation of tangible fixed assets	332	411
Loss on disposal of tangible fixed assets	(42)	(57)
Decrease in stocks	209	168
(Increase)/decrease in debtors	(652)	563
Increase/(decrease) in creditors	172	(177)
Decrease in amounts owed by related parties	-	(200)
Contributions in excess of current service cost	(909)	(201)
	<u>(318)</u>	<u>998</u>
Net cash (outflow)/inflow from operating activities		
	<u>(318)</u>	<u>998</u>

LGH HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2012**

22 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2012 £000	2011 £000
Returns on investments and servicing of finance		
Interest paid	(14)	(4)
Hire purchase interest	(7)	(6)
	<hr/>	<hr/>
Net cash outflow from returns on investments and servicing of finance	(21)	(10)
	<hr/>	<hr/>
	2012 £000	2011 £000
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(262)	(127)
Sale of tangible fixed assets	42	64
Decrease in amounts owed by related parties	722	-
New loans to group undertakings	-	(85)
	<hr/>	<hr/>
Net cash inflow/(outflow) from capital expenditure	502	(148)
	<hr/>	<hr/>
	2012 £000	2011 £000
Financing		
Repayment of other loans	(110)	(300)
Repayment of finance leases	(71)	(124)
Capital contribution	-	18
	<hr/>	<hr/>
Net cash outflow from financing	(181)	(406)
	<hr/>	<hr/>

23 ANALYSIS OF CHANGES IN NET DEBT

	1 May 2011 £000	Cash flow £000	Other non-cash changes £000	30 April 2012 £000
Cash at bank and in hand	326	132	-	458
Proceeds of factored debts	(129)	(150)	-	(279)
Finance leases	(104)	71	(21)	(54)
Debts due within one year	(128)	110	18	-
Amounts owed to joint venture	(163)	-	-	(163)
	<hr/>	<hr/>	<hr/>	<hr/>
Net debt	(198)	163	(3)	(38)
	<hr/>	<hr/>	<hr/>	<hr/>

LGH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2012

24 CONTINGENT LIABILITIES

During the year the group purchased assets from Sports Turf Drainage Limited, a company owned by Mr W B Parkinson, a common director (see note 27). Dependent upon the rental income achieved from the equipment purchased from Sports Turf Drainage Limited the group may have to make contingent payments of up to £60,000 to Sports Turf Drainage Limited over the next 6 years. Included within accruals as at 30 April 2012 is contingent payments totalling £7,540. No security has been provided by the company in respect of the purchase of assets.

The amounts have not been recognised within the financial statements by the directors' due to the element of uncertainty surrounding the transaction and future rentals. The amount has therefore not been recognised as a liability.

25 PENSION COMMITMENTS

Defined contribution scheme

The group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension charge included within operating profit represents contributions payable by the group to the fund and amounted to £35,000 (2011 - £32,000). Contributions totalling £NIL (2011 - £Nil) were payable to the fund at the balance sheet date and are included in creditors.

Defined benefit scheme

The group operates a defined benefit pension scheme with assets held in a separately administered fund. The scheme provides retirement benefits on the basis of members' pensionable salary. On 6 April 2005, the defined benefit pension scheme was closed to future accrual. Existing members are no longer eligible to make further contributions into the scheme and no further pension liabilities will accrue as a result of any future service. The group will make additional contributions in order to remove, over a number of years, the funding deficit quantified by the actuary.

The overall expected return on assets assumption is 5.40% (2011 - 5.80%) has been derived by calculating the weighted average of the expected return and for each asset class. The expected return on assets is determined using current and projected economic and market factors and after taking actuarial advice. The calculation incorporates the expected return on risk free investments and the risk premium associated with other invested assets. All quoted and unlisted securities are measured at current bid prices.

Change of estimation basis

In July 2010 the government announced the replacement of the inflation index currently used from the Retail Price Index (RPI) to the Consumer Price Index (CPI) to be applied from that date forwards. The rates used are detailed within the assumptions table below.

LGH HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2012**

25 PENSION COMMITMENTS (continued)

The amounts recognised in the balance sheet are as follows

	2012	2011
	£000	£000
Present value of funded obligations	(14,750)	(13,498)
Fair value of scheme assets	11,892	11,344
	<hr/>	<hr/>
Deficit in scheme	(2,858)	(2,154)
Related deferred tax asset	686	560
	<hr/>	<hr/>
Net liability	(2,172)	(1,594)
	<hr/>	<hr/>

The amounts recognised in profit or loss are as follows

	2012	2011
	£000	£000
Current service cost	(21)	(20)
Interest on obligation	(706)	(758)
Expected return on scheme assets	672	598
	<hr/>	<hr/>
Total	(55)	(180)
	<hr/>	<hr/>
Actual return on scheme assets	(4)	1,009
	<hr/>	<hr/>

Changes in the present value of the defined benefit obligation are as follows

	2012	2011
	£000	£000
Opening defined benefit obligation	13,498	13,889
Current service cost	21	20
Interest cost	706	758
Actuarial Losses/(gains)	903	(933)
Benefits paid	(378)	(236)
	<hr/>	<hr/>
Closing defined benefit obligation	14,750	13,498
	<hr/>	<hr/>

LGH HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2012**

25 PENSION COMMITMENTS (continued)

Changes in the fair value of scheme assets are as follows

	2012	2011
	£000	£000
Opening fair value of scheme assets	11,344	10,350
Expected return	672	598
Actuarial (losses) / gains	(676)	411
Contributions by employer	930	221
Benefits paid	(378)	(236)
	11,892	11,344

The cumulative amount of actuarial losses recognised in the consolidated statement of total recognised gains and losses was £3,960,000 (2011 - £2,381,000)

The group expects to contribute £230,400 to its defined benefit pension scheme in 2013

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages)

	2012	2011
Discount rate at 30 April	4.80 %	5.30 %
Expected return on scheme assets at 30 April	5.40 %	5.80 %
Retail price index (RPI)	3.10 %	3.30 %
Consumer price index (CPI)	2.30 %	2.60 %
Rate of increase in pensions in payment	3.05 %	3.20 %

Amounts for the current and previous four periods are as follows

Defined benefit pension schemes

	2012	2011	2010	2009	2008
	£000	£000	£000	£000	£000
Defined benefit obligation	(14,750)	(13,498)	(13,889)	(9,619)	(10,817)
Scheme assets	11,892	11,344	10,350	9,907	12,410
(Deficit)/surplus	(2,858)	(2,154)	(3,539)	288	1,593
Experience adjustments on scheme liabilities	(9)	593	288	(65)	37
Experience adjustments on scheme assets	(676)	411	(50)	(3,256)	447

During the year to 30 April 2012 the employer has paid pension contributions of £230,000 (2011 - £222,000) as well as a special contribution of £700,000 (2011 - £Nil) in October 2011. Fixed employer contributions of £230,400 per annum will be paid into the scheme for the next nineteen years. An escrow account has been established into which the shareholders have paid £900,000 to cover any shortfall in these annual contributions up until October 2012. During the year £Nil (2011 - £18,000) was received by way of capital contribution from the escrow account towards the group's pension contributions.

LGH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2012

26 OPERATING LEASE COMMITMENTS

The group leases certain land and buildings on short and long-term leases. The rents payable in the next year under these leases, which are subject to renegotiation at various intervals specified in the leases and in respect of which the company pays all insurance and maintenance are as follows:

At 30 April 2012 the Group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2012	2011
Group	£000	£000
Expiry date		
Within 1 year	20	-
Between 2 and 5 years	96	115
	<hr/>	<hr/>

27 RELATED PARTY TRANSACTIONS

Mr W B Parkinson, a group and company director is owed £Nil (2011 - £128,320) from the group for loans made in previous years and finance costs. The maximum amount outstanding during the year was £128,320. During the year there was an over accrual of interest amounting to £18,000 which was released in the year and the remaining balance was repaid in full.

At 30 April 2012 the group was owed £44,549 (2011 - £767,327) from LGH Hysmateneel BV and £494,402 (2011 - £453,617) from LGH GmbH, both are related companies under common control.

The group made recharges of £Nil (2011 - £133,944) to LGH Hysmateneel BV during the year. The amounts due from LGH GmbH is gross of a provision of £92,995 made by the group.

At 30 April 2012 the group was owed £20,226 (2011 - £20,226) from Lifting Gear Hire Corporation, a related company under common control.

At 30 April 2012 the group was owed £97,527 (2011 - £68,161) from Parkinson Properties Partnership totalling £90,000, an entity in which Mr I W Parkinson and Mr W B Parkinson, group and company directors, are partners. During the year recharges were issued to Parkinson Properties Partnership of £62,212 (2011 - £79,954).

During the year the group purchased assets from Sports Turf Drainage Limited, a company owned by Mr W B Parkinson, who is a common director. Dependent upon the rental income achieved from the equipment purchased from Sports Turf Drainage Limited the group may have to make contingent payments of up to £60,000 to Sports Turf Drainage Limited over the next 6 years.

28. CONTROLLING PARTY

Mr W B Parkinson is the controlling party by virtue of his controlling interest in LGH Holdings Limited.

LGH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2012

29 PRINCIPAL SUBSIDIARIES AND JOINT VENTURES

a Principal subsidiaries

Company name	Country	Percentage Shareholding	Description
Rotrex Group Limited	England	50	Hire, sale, repair and service of winching equipment
Kobi Maintenance Limited	England	100	Dormant
Lifting Gear Engineering Limited	England	99	Dormant
NIM Winches Limited	England	100	Dormant
Parkinson Properties Limited	England	76	Dormant
Parkinson Properties (Number 2) Limited	England	100	Dormant
Northern Industrial and Marine Services Limited	England	99	Dormant

Rotrex Group Limited is a subsidiary of LGH Holdings Limited. All of the company's subsidiaries are subsidiaries of Rotrex Group Limited.

b. Principal joint ventures

Company name	Country	Percentage Shareholding	Description
Lifting Gear Services Limited	England	50	Dormant

None of the above dormant companies traded during the year.