

REGISTERED NUMBER: 01020654 (England and Wales)

Strategic Report, Report of the Directors and  
Financial Statements for the Year Ended 31 December 2016  
for  
Hyster-Yale Group Limited

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Hyster-Yale Group Limited (Registered number: 01020654)

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for the Year Ended 31 December 2016

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Hyster-Yale Group Limited

Company Information  
for the Year Ended 31 December 2016

**DIRECTORS:**

C Wilson  
K C Schilling  
C Mair  
T Tyler  
S Taylor

**REGISTERED OFFICE:**

Centennial House  
Building 4.5  
Frimley Business Park  
Frimley  
Surrey  
GU16 7SG

**REGISTERED NUMBER:**

01020654 (England and Wales)

**AUDITORS:**

Ernst & Young LLP  
Blenheim House  
Fountainhall Road  
Aberdeen  
AB15 4DT

Hyster-Yale Group Limited (Registered number: 01020654)

Strategic Report  
for the Year Ended 31 December 2016

The directors present their strategic report for the year ended 31 December 2016.

**REVIEW OF BUSINESS & FUTURE DEVELOPMENTS**

The company's principal activities during the year continued to be to act as holding company of several trading companies within the Hyster-Yale Group in the UK, France and Germany.

No change is expected to this in 2017.

Hyster-Yale Group Limited (Registered number: 01020654)

Strategic Report  
for the Year Ended 31 December 2016

## **PRINCIPAL RISKS AND UNCERTAINTIES**

### **FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The company policy does not permit trading in any financial instruments. The company's principal financial instruments comprise of cash, short term deposits and/or borrowings and forward currency contracts, the main purpose of which is to provide finance for its normal trading operations and to reduce the impact of currency exchange rate movements on trading results.

The company has various other financial instruments such as trade debtors and creditors that arise directly from its trading operations.

The main risks arising from the company's financial instruments are liquidity, credit and foreign currency risks. The company has clear policies for managing each of these risks, as summarised below.

#### **LIQUIDITY RISK**

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The company aims to mitigate liquidity risk by managing cash generation by its operations and applying cash collection targets. Investment is carefully controlled, with authorisation limits operating at different levels up to group board level and with hurdle rates of return and cash payback periods applied as part of the investment appraisal process.

The company participates in the overall world-wide group's funding strategy managed at corporate treasury level. The group participates in a European cash pool. The objective is to maintain a balance between continuity of funding and flexibility.

#### **CREDIT RISK**

Credit risk is the risk of financial loss if a customer or counterparty fails to meet an obligation under a contract. Group policies are aimed at minimising such losses, and require that deferred terms are only granted to customers who demonstrate an appropriate payment history and satisfy credit worthiness procedures. The geographic profile of credit risk to the company is continually monitored through assessments of individual dealer's financial positions. The company also covers the majority of its credit exposure by taking out credit insurance.

#### **FOREIGN CURRENCY RISK**

The company buys and sells goods and services denominated in currencies other than Euros which give rise to foreign currency risks. The company manages such receipts and payments through the operation of other denominated currency bank accounts. As a result of the value of the company's non-Euro revenues, purchases, financial assets and liabilities, cash flows can be affected significantly by movements in exchange rates.

The company seeks to mitigate its exposure to currency movements by working with the Group's Treasury department to enter into forward currency contracts, denominated in the same currency as the operating funds flow, to match the exposures anticipated in the business. The forward contracts are entered into on the basis of regularly updated forecast information on the level of trading in each denominated currency. The company will seek to have the majority of its current year exposures matched to forward contracts, with lower percentages covered for 1 and 2 years beyond the current year.

#### **ON BEHALF OF THE BOARD:**

  
K C Schilling - Director

Hyster-Yale Group Limited (Registered number: 01020654)

Strategic Report  
for the Year Ended 31 December 2016

Date: SEPT 14, 2017

Hyster-Yale Group Limited (Registered number: 01020654)

Report of the Directors  
for the Year Ended 31 December 2016

The directors present their report with the financial statements of the company for the year ended 31 December 2016.

Company Registration Number: 01020654

**DIVIDENDS**

No dividends will be distributed for the year ended 31 December 2016 (2015 NIL).

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2016 to the date of this report.

C Wilson  
K C Schilling  
C Mair  
T Tyler

Other changes in directors holding office are as follows:

C A Bittenbender - resigned 14 December 2016

S Taylor was appointed as a director after 31 December 2016 but prior to the date of this report.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

Hyster-Yale Group Limited (Registered number: 01020654)

Report of the Directors  
for the Year Ended 31 December 2016

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**ON BEHALF OF THE BOARD:**

  
K C Schilling - Director

Date: SEPT 14, 2017



Report of the Independent Auditors to the Members of  
Hyster-Yale Group Limited

We have audited the financial statements of Hyster-Yale Group Limited for the year ended 31 December 2016 on pages nine to eighteen. 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 a Report of the Auditors 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 auditors**

As explained more fully in the Statement of Directors' Responsibilities set out on page five, 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 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 Strategic Report and the Report of the Directors 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 2016 and of its loss 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, based on the work undertaken in the course of our audit, the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements, and has been prepared in accordance with applicable legal requirements. In the light of the knowledge and understanding of the company and its environment, we have not identified any material misstatements in the Strategic Report or the Report of the Directors.

Report of the Independent Auditors to the Members of  
Hyster-Yale Group Limited

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

*Ernst & Young LLP*

Kevin Weston (Senior Statutory Auditor)  
for and on behalf of Ernst & Young LLP  
Blenheim House  
Fountainhall Road  
Aberdeen  
AB15 4DT

Date: *19 September 2017*

Hyster-Yale Group Limited (Registered number: 01020654)

Income Statement  
for the Year Ended 31 December 2016

	Notes	31.12.16 €'000	31.12.15 €'000
<b>TURNOVER</b>		-	-
Cost of sales		<u>3</u>	<u>(3)</u>
<b>GROSS (LOSS)/PROFIT</b>		(3)	3
<b>OPERATING (LOSS)/PROFIT</b>	4	(3)	3
(Profit) / Loss on sale of investment	5	<u>-</u>	<u>8</u>
		(3)	(5)
Interest payable and similar expenses	6	<u>4</u>	<u>5</u>
<b>LOSS BEFORE TAXATION</b>		(7)	(10)
Tax on loss	7	<u>-</u>	<u>-</u>
<b>LOSS FOR THE FINANCIAL YEAR</b>		<u>(7)</u>	<u>(10)</u>

The notes form part of these financial statements

Hyster-Yale Group Limited (Registered number: 01020654)

Other Comprehensive Income  
for the Year Ended 31 December 2016

	Notes	31.12.16 €'000	31.12.15 €'000
<b>LOSS FOR THE YEAR</b>		(7)	(10)
<b>OTHER COMPREHENSIVE INCOME</b>		-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u>(7)</u>	<u>(10)</u>

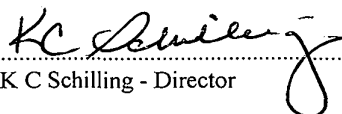
The notes form part of these financial statements

Hyster-Yale Group Limited (Registered number: 01020654)

Balance Sheet  
31 December 2016

	Notes	31.12.16 €'000	€'000	31.12.15 €'000	€'000
<b>FIXED ASSETS</b>					
Investments	8		57,977		57,977
<b>CREDITORS</b>					
Amounts falling due within one year	9	333		326	
<b>NET CURRENT LIABILITIES</b>			(333)		(326)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			57,644		57,651
<b>CAPITAL AND RESERVES</b>					
Called up share capital	10		2,309		2,309
Retained earnings	11		55,335		55,342
<b>SHAREHOLDERS' FUNDS</b>			57,644		57,651

The financial statements were approved by the Board of Directors on SEPT 14, 2017 and were signed on its behalf by:

  
K C Schilling - Director

The notes form part of these financial statements

Hyster-Yale Group Limited (Registered number: 01020654)

Statement of Changes in Equity  
for the Year Ended 31 December 2016

	Called up share capital €'000	Retained earnings €'000	Total equity €'000
<b>Balance at 1 January 2015</b>	2,309	55,352	57,661
<b>Changes in equity</b>			
Total comprehensive income	-	(10)	(10)
<b>Balance at 31 December 2015</b>	2,309	55,342	57,651
<b>Changes in equity</b>			
Total comprehensive income	-	(7)	(7)
<b>Balance at 31 December 2016</b>	2,309	55,335	57,644

The notes form part of these financial statements

Hyster-Yale Group Limited (Registered number: 01020654)

Cash Flow Statement  
for the Year Ended 31 December 2016

	Notes	31.12.16 €'000	31.12.15 €'000
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	(3)	(4)
Interest paid		(4)	(5)
Net cash from operating activities		(7)	(9)
<b>Cash flows from investing activities</b>			
Sale of fixed asset investments		-	7
Net cash from investing activities		-	7
<b>Decrease in cash and cash equivalents</b>		(7)	(2)
<b>Cash and cash equivalents at beginning of year</b>		-	-
<b>Cash and cash equivalents at end of year</b>		-	-

The notes form part of these financial statements

Hyster-Yale Group Limited (Registered number: 01020654)

Notes to the Cash Flow Statement  
for the Year Ended 31 December 2016

1. RECONCILIATION OF LOSS BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS	31.12.16	31.12.15
	€'000	€'000
Loss before taxation	(7)	(10)
Finance costs	4	5
	<hr/>	<hr/>
	(3)	(5)
Increase in trade and other creditors	-	1
	<hr/>	<hr/>
Cash generated from operations	<u>(3)</u>	<u>(4)</u>

The notes form part of these financial statements



Hyster-Yale Group Limited (Registered number: 01020654)

Notes to the Financial Statements  
for the Year Ended 31 December 2016

1. **STATUTORY INFORMATION**

Hyster-Yale Group Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. **ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

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 and be able to meet its liabilities as they fall due.

The financial statements do not include any adjustments that would result in the going concern basis ceasing to be appropriate.

A summary of the principal accounting policies, all of which have been applied consistently throughout the preceding year, is set out below.

**Related party exemption**

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

**Investments in subsidiaries**

Investments in subsidiary undertakings are recognised at cost.

**Related party transactions**

The company has not transacted with any related parties in the year.

**Exceptional items**

Exceptional items are those material items, which by virtue of their size and incidence, are presented separately from the ordinary activities of the company to enable a full understanding of the Group's financial performance. Transactions which give rise to exceptional items include restructuring related items.

3. **EMPLOYEES AND DIRECTORS**

There were no staff costs for the year ended 31 December 2016 nor for the year ended 31 December 2015.

	31.12.16	31.12.15
	€	€
Directors' remuneration	-	-
	<u>          </u>	<u>          </u>

The directors received no compensation from the company. There was no apportionment of their costs from the US parent company in respect of their services as directors.

Hyster-Yale Group Limited (Registered number: 01020654)

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2016

4. **OPERATING (LOSS)/PROFIT**

The operating loss (2015 - operating profit) is stated after charging/(crediting):

	31.12.16	31.12.15
	€'000	€'000
Loss / (Gain) on foreign exchange	3	(3)
	<u>3</u>	<u>(3)</u>

5. **EXCEPTIONAL ITEMS**

	31.12.16	31.12.15
	€'000	€'000
(Profit) / Loss on sale of investment	-	(8)
	<u>-</u>	<u>(8)</u>

6. **INTEREST PAYABLE AND SIMILAR EXPENSES**

	31.12.16	31.12.15
	€'000	€'000
Group interest payable	4	5
	<u>4</u>	<u>5</u>

7. **TAXATION**

**Analysis of the tax charge**

No liability to UK corporation tax arose for the year ended 31 December 2016 nor for the year ended 31 December 2015.

**Reconciliation of total tax charge included in profit and loss**

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	31.12.16	31.12.15
	€'000	€'000
Loss before tax	(7)	(10)
	<u>(7)</u>	<u>(10)</u>
Loss multiplied by the standard rate of corporation tax in the UK of 20% (2015 - 20.250%)	(1)	(2)
Effects of:		
Free group relief	1	2
	<u>1</u>	<u>2</u>
Total tax charge	-	-
	<u>-</u>	<u>-</u>

A reduction in the UK corporation tax rate from 21% to 20% took effect from 1 April 2015. A further reduction from 20% to 19% was substantively enacted in July 2015 and will be effective from 1 April 2017. A further reduction to 17% will take effect from 1 April 2020 and was enacted in the Finance Act 2016 on 15 September 2016. Accordingly.

These changes will affect the amount of future cash tax payments to be made by the company.

Hyster-Yale Group Limited (Registered number: 01020654)

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2016

**8. FIXED ASSET INVESTMENTS**

	Shares in group undertakings €'000
<b>COST</b>	
At 1 January 2016 and 31 December 2016	<u>57,977</u>
<b>NET BOOK VALUE</b>	
At 31 December 2016	<u>57,977</u>
At 31 December 2015	<u>57,977</u>

The company's investments at the Balance Sheet date in the share capital of companies include the following:

**Hyster-Yale UK Limited**

Registered office:

Nature of business: Manufacture and marketing of forklift trucks

	%
Class of shares:	holding
Ordinary	99.00

**Hyster-Yale Materials Handling Gmbh**

Registered office:

Nature of business: Distribution of forklift trucks

	%
Class of shares:	holding
Ordinary	100.00

**Hyster-Yale Materials Handling France SARL**

Registered office:

Nature of business: Distribution of forklift trucks

	%
Class of shares:	holding
Ordinary	75.70

**Hyster-Yale UK Pension Co. Limited**

Registered office:

Nature of business: Corporate Trustee of Pension Plan

	%
Class of shares:	holding
Ordinary	100.00

These investments continue to be accounted for at cost less any impairment of value.

Hyster-Yale Group Limited (Registered number: 01020654)

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2016

**9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.16	31.12.15
	€'000	€'000
Trade creditors	1	1
Amounts owed to group undertakings	332	325
	<u>333</u>	<u>326</u>

**10. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:			31.12.16	31.12.15
Number:	Class:	Nominal value:	€'000	€'000
2,100,000	Ordinary Shares	£1	<u>2,309</u>	<u>2,309</u>

**11. RESERVES**

	Retained earnings €'000
At 1 January 2016	55,342
Deficit for the year	(7)
At 31 December 2016	<u>55,335</u>

**12. ULTIMATE PARENT COMPANY**

In September 2012 the ultimate parent company became Hyster-Yale Materials Handling, Inc., a company incorporated in the state of Delaware, United States of America, following the spin off of the materials handling business from NACCO Industries Inc. The only group in which the results of Hyster-Yale Group Limited and its subsidiary undertakings are consolidated is that headed by Hyster-Yale Materials Handling, Inc. whose principal place of business is at 5875 Landerbrook Drive, Mayfield Heights, Ohio 44124. The consolidated financial statements of Hyster-Yale Materials Handling, Inc. are available at that address.

**13. RELATED PARTY DISCLOSURES**

**Key management personnel**

All directors and certain senior employees who have authority and responsibility for planning, directing and controlling the activities of the company are considered to be key management personnel. Total remuneration in respect of these individuals is €271,000 (2015 - €266,000)