

Gunn JCB (Holdings) Limited
Annual report and financial statements
for the year ended 31 December 2014

Registered number 03971940

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Gunn JCB (Holdings) Limited

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

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Gunn JCB (Holdings) Limited

Directors and advisers for the year ended 31 December 2014

Directors

P Hartshorn	
M S Hutchinson	Appointed 16 April 2014
T Simcock	Appointed 16 April 2014

Company secretary

J H Bailey	Resigned 16 April 2014
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Independent auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
101 Barbirolli Square
Lower Mosley Street
Manchester
M2 3PW

Solicitors

Freeth Cartwright LLP
Churchill House
Regent Road
Stoke on Trent
ST1 3RQ

Bankers

Barclays Bank Plc
PO Box 3333
1 Snow Hill
Snow Hill Queensway
Birmingham
B3 2WN

Registered office

Atlantic Street
Broadheath
Altrincham
Cheshire
WA14 5DN

Registered number 03971940

Gunn JCB (Holdings) Limited

Strategic report for the year ended 31 December 2014

The Directors present their Strategic report on the company for the year ended 31 December 2014.

Business review and principle activities

Gunn JCB (Holdings) Limited operates as an intermediary holding company and through the group as a distribution and after sales support organisation for JCB construction, extraction, mechanical handling, agricultural, groundcare and industrial equipment.

The role of the group is best likened to that of a garage for construction, agricultural and industrial customers where we sell new machines, take part exchanges or buy used machines, sell spare parts and repair / service machines – the big difference being that our staff are mobile and mainly support the customer on site via mobile service engineers, parts delivery vehicles and mobile sales staff.

The group also sells some ancillary complementary products to the JCB range and in addition exports used equipment.

To support our customers the group has a network of 9 strategically located depots (as well as home based staff) throughout the North West, Midlands, North and Mid Wales and the Isle of Man; which is our main area of operation to enable it to provide a quick response to its customers.

The Company owns the majority of the premises that the group operates its business from; the sale and purchase of these premises and the revaluation of the company's premises, carried out for accounting purposes during the year are detailed in note 9 to the financial statements.

The results for the year are shown in the Directors' report on page 3.

The Company was incorporated in England and Wales and is tax resident in the United Kingdom.

Key performance indicators

Given the straightforward nature of the business, the company's directors are of the opinion that analysis using KPI's is not necessary for an understanding of the development, performance or position of the business.

Principal risks and uncertainties

The management of the business and the execution of the company's strategy are subject to a number of risks.

Business risk

The key business risks affecting the company are considered to relate to competition from other suppliers of similar products and services, product availability, product innovation, employee retention, levels of demand (particularly within the house building and agricultural sectors) and market residual values for used equipment.

Financial risk management

The company's operations as a holding company means that its subsidiaries expose it to a variety of financial risks that includes the effects of changes in commodity price risk, credit risk, liquidity risk and interest rate risk. The directors are aware that the company is susceptible to such changes and has in place a risk management programme that seeks to limit and mitigate the adverse effects on the financial performance of the company by monitoring levels of debt finance and the related finance costs.

Gunn JCB (Holdings) Limited

Strategic report for the year ended 31 December 2014 (continued)

The company seeks to minimise the risk of uncertain funding in its operations by borrowing within a spread of maturity periods. The company does not use derivative financial instruments to manage interest rate costs and as such, no hedge accounting is applied.

Given the size of the company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the board of directors are implemented by the finance department of the company.

Commodity price risk

The company is exposed to increases in raw materials costs, particularly steel and oil, which are reflected in the purchase price of plant and spare parts from manufacturers. The company is not in a position to manage this risk and relies on the manufacturers to maintain prices at a competitive level.

In addition oil and energy costs have an effect on the company's transport and depot facility costs. The company reviews on regular basis prices paid in respect of these costs and searches the market for the most cost effective suppliers.

Credit risk

The company has implemented policies that require appropriate credit checks on potential customers before sales are made.

Liquidity risk

The company actively maintains a mixture of long-term and short-term debt finance that is designed to ensure the group has sufficient available funds for operations and planned expansions.

Interest rate risk

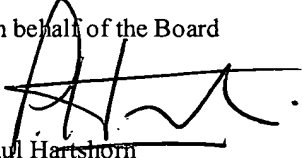
The company has interest bearing liabilities. Bank overdraft facilities were reviewed and confirmed with Barclays Bank plc in July 2014. Interest is charged on the bank overdraft at a rate of 2.00% above the bank's base rate. Interest is charged on the previously arranged term loans at a rate 2.25% above LIBOR. The group has a policy of maintaining debt at variable rates and the directors have in place a system to monitor levels of debt and the related interest cost. The directors will revisit the appropriateness of this policy should the group's operations change in size or nature.

Future developments

The coming year will be challenging with continued competitive market conditions, however with a strong start to year 2015 we anticipate that for the full year profits, whilst not anticipated to be at the 2014 level, should be similar to those enjoyed in 2013.

The directors are optimistic of the company's future performance and long term profitability

On behalf of the Board



Paul Hartshorn

Director

7 August 2015

Gunn JCB (Holdings) Limited

Directors' report for the year ended 31 December 2014

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

Business review

The results for the year are set out in the financial statements on page 7 showing a profit on ordinary activities before taxation of £1,236,000 (2013: £725,000) for the financial year and a profit for the financial year of £1,167,000 (2013: £565,000). The company enjoyed maintained turnover during the year with a reduction in administration expenses. The directors consider the performance of the company to have been satisfactory during the year.

The company had net assets of £3,357k (2013: £3,191k).

The company considers that it has adequate financial resources to cope with the current trading conditions.

Branches outside the UK

The group, of which Gunn JCB (Holdings) Limited is a member, has a branch on the Isle of Man that employs 2 local members of staff for product support purposes.

Future developments

An indication of likely future developments in the company can be found on page 2. This information is incorporated into this Directors report by reference and is deemed to form part of this Directors report.

Dividends

Interim dividends have been paid amounting to £6.56 per share (2013: £2.50 per share) in respect of each class of share during the year amounting to £1,000,400 (2013: £381,250). The directors do not propose any final dividend (2013: £nil).

Donations

During the year the company did not make any donations (2013: £nil) to charity.

No political donations were made in the year or in the previous year.

Directors

The directors who served during the year and up to the date of signing the financial statements were as follows:

P Hartshorn

M S Hutchinson (appointed 16 April 2014)

T Simcock (appointed 16 April 2014)

G W F Smith (resigned 16 April 2014)

J H Bailey (resigned 16 April 2014)

J A Dolphin (resigned 16 April 2014)

S P Nixon (resigned 16 April 2014)

The company maintains liability insurance for its directors and officers.

Qualifying third party and pension scheme indemnity provisions

At the time this report is approved, no qualifying third party indemnity provisions or qualifying pension scheme indemnity provisions are in place for the benefit of one or more of the directors. At no time during the year were any such provisions in force for the benefit of one or more persons who were then directors.

Gunn JCB (Holdings) Limited

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

Principal risks and uncertainties and financial risk management policy

The management of the business and the execution of the company's strategy are subject to a number of risks and an indication of these can be found on pages 1 and 2. This information is incorporated into this Directors report by reference and is deemed to form part of this Directors report.

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, 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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

The directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to the independent auditors

So far as each director is aware there is no relevant audit information (that is information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware.

Each director has taken all steps they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Independent auditors

A resolution to reappoint PricewaterhouseCoopers LLP as auditors will be proposed at the annual general meeting.

On behalf of the Board



M S Hutchinson
Director
7 August 2015

Gunn JCB (Holdings) Limited

Independent auditors' report to the members of Gunn JCB (Holdings) Limited

Report on the financial statements

Our opinion

In our opinion, Gunn JCB (Holdings) Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 December 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

The financial statements comprise:

- the Balance sheet as at 31 December 2014;
- the Profit and loss account for the year then ended;
- the Note of historical cost profits and losses for the year then ended;
- the accounting policies; and
- the notes to the financial statements, which include other explanatory information.

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

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

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

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

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

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

Gunn JCB (Holdings) Limited

Independent auditors' report to the members of Gunn JCB (Holdings) Limited (continued)

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of directors' responsibilities set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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

What an audit of financial statements involves

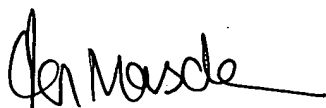
We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error.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

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

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

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

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



Ian Marsden (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Manchester
7 August 2015

Gunn JCB (Holdings) Limited

Profit and loss account for the year ended 31 December 2014

	Note	2014 £'000	2013 £'000
Administrative expenses		110	195
Operating profit	1	(110)	(195)
Other operating income	2	1,360	610
Profit on disposal of land and buildings	3	-	350
Interest payable and similar charges	4	(14)	(40)
Profit on ordinary activities before taxation		1,236	725
Tax on profit on ordinary activities	6	(69)	(160)
Profit for the financial year	15	1,167	565

All operations in the year are continuing.

The company has no recognised gains and losses other than those included in the results above, and therefore no separate statement of recognised gains and losses has been presented.

The accounting policies and notes on pages 10 to 19 form an integral part of these financial statements.

Gunn JCB (Holdings) Limited

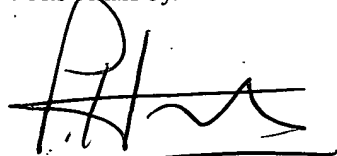
Note of historical cost profits and losses for the year ended 31 December 2014

	2014 £'000	2013 £'000
Profit on ordinary activities before taxation	1,236	725
Difference between historical cost depreciation charge and the actual depreciation charge for the year calculated on the revalued amount	(8)	27
Difference between the historical cost and the revalued cost of assets disposed of during the year	-	424
Historical cost profit for the year before taxation	1,228	1,176
Historical cost profit for the year retained after taxation	1,159	1,016

Gunn JCB (Holdings) Limited
Balance sheet as at 31 December 2014

	Note	2014 £'000	2013 £'000
Fixed assets			
Tangible assets	8	3,735	3,771
Investments	9	11	11
		3,746	3,782
Current assets			
Debtors	10	1,981	929
Cash at bank and in hand		-	-
		1,981	929
Creditors: amounts falling due within one year	11	(2,370)	(514)
Net current (liabilities)/ assets		(389)	415
Total assets less current liabilities		3,357	4,197
Creditors: amounts falling due after more than one year	12	-	(1,006)
Net assets		3,357	3,191
Capital and reserves			
Called up share capital	14	152	152
Capital redemption reserve	15	77	77
Revaluation reserve	15	685	685
Profit and loss account	15	2,443	2,277
Total shareholders' funds	16	3,357	3,191

The financial statements on pages 7 to 19 were approved by the board of directors on 7 August 2015 and signed on its behalf by:



P Hartshorn
Director

Gunn JCB (Holdings) Limited
Registration no 03971940

Gunn JCB (Holdings) Limited

Statement of accounting policies for the year ended 31 December 2014

Basis of preparation

The financial statements are prepared on the going concern basis, under the historical cost convention (subject to revaluation of land and buildings), in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies which have been applied consistently throughout are set out below.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost with the exception of freehold land and buildings which were revalued in October 2014. The impact of this has been included in Note 9. Cost includes the original purchase price of the asset, less any purchase rebates and the costs attributable to bringing the asset to its working condition for its intended use.

With the exception of freehold land, which is not depreciated, depreciation is provided at rates which are calculated to write down the cost or valuation of fixed assets by annual instalments as follows:

Freehold buildings

2% on buildings on a straight line basis

Investments in subsidiaries

Investments in subsidiary undertakings are recorded at cost plus incidental expenses less any provision for impairment. Impairment reviews are performed by the directors when there has been an indication of potential impairment.

Taxation

Current tax is provided at amounts expected to be paid (or recovered) using 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 the transactions or events that give rise to an obligation to pay more or less tax in the future have occurred by the balance sheet date.

A net deferred tax asset is recognised as recoverable only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis.

Gunn JCB (Holdings) Limited

Statement of accounting policies for the year ended 31 December 2014 (continued)

Pension costs

Pension costs as incurred by the company under the defined contribution scheme are charged to the profit and loss account as incurred. The assets of the scheme are held separately from those of the group in an independently administered fund.

Consolidation

The financial statements contain information about Gunn JCB (Holdings) Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, Gunn JCB Group Limited, a company incorporated in England and Wales.

Financial Reporting Standard No 1 (Revised 1996)

The company is a wholly owned subsidiary of a group headed by Gunn JCB Group Limited, and is included in the consolidated financial statements of that company, which are publicly available. Consequently, the company has taken advantage of the exemption within FRS 1 "Cash flow statements (revised 1996)" from preparing a cash flow statement.

Related party disclosures

As a wholly owned subsidiary of Gunn JCB Group Limited, the company has taken advantage of the exemption under Financial Reporting Standard 8 from disclosure of transactions and balances with fellow group companies.

Dividends

Dividends payable are recognised in the accounting period in which they are paid or approved. Dividend income is recognised in the period in which the right to receive payment is established.

Gunn JCB (Holdings) Limited

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

1 Operating profit

	2014 £'000	2013 £'000
Operating profit is stated after charging/(crediting):		
Depreciation of tangible assets:		
On owned assets	48	85
Auditors' remuneration for:		
Statutory audit services	2	2
Taxation compliance services	1	1
Profit on sale of tangible fixed assets	-	(350)

2 Other operating income

	2014 £'000	2013 £'000
Investment income from subsidiary undertakings	1,000	250
Rental income from property	360	360
	1,360	610

3 Profit on disposal of land and buildings

	2014 £'000	2013 £'000
Profit on disposal of freehold land and buildings	-	350

Earthmover House, Battlefield Road, Shrewsbury was sold on 29 November 2013 for £1.15m.

4 Interest payable and similar charges

	2014 £'000	2013 £'000
Interest Payable/receivable on inter-company loan	3	(15)
Interest payable on treasury loan	11	55
	14	40

The treasury loan is a facility that is used to fund the investment in our freehold land and buildings. The treasury loans were repaid during the year.

Gunn JCB (Holdings) Limited

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

5 Staff costs and numbers

Other than the five directors (2013: five), the company has no employees (2013: none). The directors received no remuneration for their services to the company (2013: £nil).

6 Tax on profit on ordinary activities

a) Analysis of tax charge in year

	2014 £'000	2013 £'000
Current tax		
UK corporation tax on profits of the year	60	160
Adjustments in respect of prior years	9	-
Total current tax	69	160
Deferred tax		
Origination and reversal of timing differences – current year	-	-
Origination and reversal of timing differences – prior year	-	-
Total deferred tax	-	-
Total tax on profit on ordinary activities	69	160

Gunn JCB (Holdings) Limited

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

6 Tax on profit on ordinary activities

b) Factors affecting the tax charge for the year

The current tax charge for the year is higher (2013: higher) than the standard rate of corporation tax in the UK of 21.5% (2013: 23.25%) as shown in the table below:

	2014 £'000	2013 £'000
Profit on ordinary activities before tax	1,236	725
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 21.5% (2013: 23.25%)	266	168
Non-taxable dividend income	(215)	(58)
Adjustments in respect of prior years	9	-
Expenses not deductible for tax purposes	9	50
Current tax charge for the year	69	160

Factors that may affect future tax charges

In finance Act 2013 the rate of corporation tax was reduced to 21 % for the period from 1 April 2014 to 31 March 2015 and to 20% from 1 April 2015. These changes were substantively enacted on 2 July 2013 and as such deferred tax at the balance sheet date has been re-measured.

No provision has been made for deferred tax on gains recognised on revaluing property to its market value. Such tax would become payable only if the property was sold without it being possible to claim rollover relief. A calculation has been performed on the potential deferred tax on the revaluation for the year ended 31 December 2014, resulting in a total amount unprovided of £0 (2013: £nil).

Changes to the UK corporation tax rates were announced in the Chancellor's Budget on 8 July 2015. These include reductions to the main rate to reduce the rate to 19% from 1 April 2017 and to 18% from 1 April 2020. As the changes had not been substantively enacted at the balance sheet date their effects are not included in these financial statements.

7 Dividends

	2014 £'000	2013 £'000
Interim dividends paid: £6.56 per share (2013: £2.50 per share)	1,001	381

Gunn JCB (Holdings) Limited

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

8 Tangible assets

	Freehold land and buildings* £'000	Total £'000
Cost		
At 1 January 2014	3,778	3,778
Additions	12	12
At 31 December 2014	3,790	3,790
Accumulated depreciation		
At 1 January 2014	7	7
Charge for the year	48	48
At 31 December 2014	55	55
Net book amount		
At 31 December 2014	3,735	3,735
At 31 December 2013	3,771	3,771

There are no assets which are held under hire purchase leases.

The company's freehold land and buildings were revalued at 31 October 2013 on the basis of existing use value by independent qualified valuers. The valuations were undertaken in accordance with the Appraisal and Valuation Manual of the Royal Institute of Chartered Surveyors by Deloitte LLP, a firm of independent Chartered Surveyors.

These valuations have been incorporated into the financial statements and the resulting revaluation adjustments have been taken to the revaluation reserve. The Directors' are of the opinion that the revaluation of the Land and Buildings represents the fair value of these assets to the business as at 31 December 2014.

No deferred tax is provided on timing differences arising from the revaluation of fixed assets unless, by the balance sheet date, a binding commitment to sell the asset has been entered into and it is unlikely that any gain will be rolled over. If the revalued assets were stated on the historical cost basis, the amounts would be:

Freehold land and buildings*

	2014 £'000	2013 £'000
At cost	3,854	3,842
Aggregate depreciation	(657)	(601)
Net book value based on historical cost	3,197	3,241

Gunn JCB (Holdings) Limited

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

9 Investments

£'000

Cost and net book value at 31 December 2013 and 31 December 2014	11
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The directors believe that the carrying value of the investments is supported by their underlying net assets.

The company owns the entire issued share capital and 100% voting rights of the under noted companies:

Gunn JCB Limited	Registered in England	No: 00527818
Gunn JCB Compact Equipment Limited *	Registered in England	No: 00200773

* 100% interest held by subsidiary company.

Gunn JCB Limited is engaged in the distribution of equipment and after sales support to construction, agricultural, groundcare and industrial markets whereas Gunn JCB Compact Equipment Limited did not trade in the year and there is no intention for the company to trade going forward.

10 Debtors

	2014 £'000	2013 £'000
Amounts owed by group undertakings	1,981	929
	1,981	929

Amounts owed by the group undertakings are unsecured, interest bearing at 2% per annum and are repayable on demand.

11 Creditors: amounts falling due within one year

	2014 £'000	2013 £'000
Treasury loans	-	350
Amounts owed to group undertakings	2,302	-
Corporation tax	60	160
Accruals and deferred income	8	4
	2,370	514

The bank overdraft continues to be secured and the treasury loans were secured, until they were repaid, by a bond and floating charge over all of the group's assets in favour of Barclays Bank PLC. Interest is charged on the bank overdraft at a rate of 2.00% above the bank's base rate. Interest was charged on the treasury loans at rate 2.25% above LIBOR.

Amounts owed to group undertakings are unsecured, interest bearing at 2% per annum and are repayable on demand.

Gunn JCB (Holdings) Limited
Notes to the financial statements for the year ended 31 December
2014 (continued)

12 Creditors: amounts falling due after more than one year

	2014 £'000	2013 £'000
Treasury loan	-	1,006
	-	1,006
Maturity of debt		
In one year or less	-	350
In more than one year but not more than two years	-	350
In more than two years but not more than five years	-	656
	-	1,356

The treasury loans were repaid in full during the year, when the company was acquired by Gunn JCB Group Limited.

13 Contingent liabilities

The company is a participant in a group banking arrangement with Barclays Bank PLC under which all surplus cash balances are held as collateral for bank facilities advanced to group members. In addition, the company has issued an unlimited guarantee to the bank to support these group facilities. As at 31 December 2014 the contingent liability of the company under this arrangement was £4,217,429 (2013: £272,418).

14 Called up share capital

	Number	£
Authorised at 31 December 2013 and 31 December 2014		
"A" ordinary shares of £1 each	100,000	100,000
"B" ordinary shares of £1 each	52,500	52,500
	152,500	152,500
Allotted and fully paid at 31 December 2013 and 31 December 2014		
"A" ordinary shares of £1 each	100,000	100,000
"B" ordinary shares of £1 each	52,500	52,500
	152,500	152,500

The shares rank pari passu in all respects except that holders of "A" ordinary shares have one vote at general meetings of the Company for every 1204 "A" ordinary shares held whereas holders of "B" ordinary shares have one vote at general meetings of the Company for every 2950 "B" ordinary shares held.

Gunn JCB (Holdings) Limited
Notes to the financial statements for the year ended 31 December
2014 (continued)

15 Reserves

	Company
	2014 £'000
Profit and loss account	
At 1 January	2,277
Profit for the financial year	1,167
Dividend (note 7)	(1,001)
At 31 December	2,443
Capital redemption reserve	
At 1 January and 31 December	77
Revaluation reserve	
At 1 January and 31 December	685

16 Reconciliation of movements in shareholders' funds

	2014 £'000	2013 £'000
Opening shareholders' funds	3,191	3,399
Profit for the financial year	1,167	565
Dividend (note 7)	(1,001)	(381)
Deficit on revaluation of land and buildings	-	(392)
Closing shareholders' funds	3,357	3,191

17 Operating lease commitments

Annual commitments under non-cancellable operating leases relating to land and buildings:

	2014 £'000	2013 £'000
Operating leases which expire:		
Within one year	148	119
	148	119

Gunn JCB (Holdings) Limited
Notes to the financial statements for the year ended 31 December
2014 (continued)

18 Related party disclosures

The company has had no related parties during the year.

19 Ultimate parent company and controlling party

The immediate parent undertaking is Gunn JCB Group Limited.

Gunn JCB Group Limited is parent undertaking of the largest and smallest group of undertakings to consolidate these financial statements at 31 December 2014. The consolidated financial statements of Gunn JCB Group Limited can be obtained from Atlantic Street, Broadheath, Altrincham, Cheshire, WA14 5DN.

The company is ultimately controlled by Mr P Hartshorn who controls the voting rights of the company's ultimate parent company.