

**GRIGNY (UK) LIMITED**

Company Registration No.1341588

**GRIGNY (UK) LIMITED**

**Report and Financial Statements**

**31 December 2013**

WEDNESDAY



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COMPANIES HOUSE

# GRIGNY (UK) LIMITED

## REPORT AND FINANCIAL STATEMENTS 31 DECEMBER 2013

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# **GRIGNY (UK) LIMITED**

## **REPORT AND FINANCIAL STATEMENTS 31 DECEMBER 2013**

### **OFFICERS AND PROFESSIONAL ADVISERS**

#### **DIRECTORS**

Y J Arbeille  
G Laroche  
C Abiteboul – appointed 3<sup>rd</sup> July 2014  
J-M Jalinier – resigned 3<sup>rd</sup> July 2014

#### **SECRETARY**

I Esmail – appointed 18<sup>th</sup> April 2013

#### **REGISTERED OFFICE**

The Rivers Office Park  
Denham Way  
Maple Cross  
Rickmansworth  
Hertfordshire  
WD3 9YS

#### **BANKERS**

HSBC Bank PLC  
62-76 Park Street  
London  
SE1 9DZ

#### **SOLICITORS**

Hogan Lovells  
65 Holborn Viaduct  
London EC1A 2DY

#### **AUDITORS**

Ernst & Young LLP  
400 Capability Green  
Luton LU1 3LU

# GRIGNY (UK) LIMITED

## STRATEGIC REPORT

The directors present their strategic report for the year ended 31 December 2013.

### PRINCIPAL ACTIVITY

The Company's principal activity in 2013 was leasing of KERS unit (Kinetic Energy Recovery System) to several F1 racing teams. The KERS unit is leased in total or in part depending on the requirements of each customer.

### REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

KERS was introduced in Formula1 for the 2012 season. For 2013 the turnover at £7 million; Cost of Sales at £6.4 million and other costs at £1.1 million were broadly in line with the forecast.

#### Key Performance Indicators

The Renault engines incorporating the KERS units performed well during the 2013 season as its second largest customer Red Bull Racing became World Champion. This did confirm the accuracy of the Company's technical solution.

#### Principal risks and uncertainties

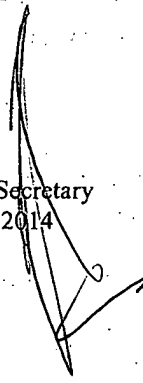
The Directors of the Company meet from time to time as appropriate to review the current trading activity and to forecast the activity for the remainder of the year. As part of this review, risks to the business are identified, evaluated and action plans formulated where deemed necessary.

The principal risks and uncertainties facing the Company are forecast changes in the 2014 FIA's regulations that will affect its core business.

The planned changes in the FIA engine regulations during 2014 where both KERS and HERS are to become an integral part of the engine the leasing activity of the company is likely to cease. The company will review its business plans in light of these new changed FIA regulations and explore other activities during 2014 to generate and develop revenue.

I Esmail

Company Secretary  
26 August 2014



# GRIGNY (UK) LIMITED

## DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 December 2013.

## RESULTS AND DIVIDENDS

The loss for the year after taxation was £516,534 (2012 loss of £386,002). No dividends were paid to shareholders during the year either relating to the year ended 31 December 2013 or prior years. No dividend is proposed.

## GOING CONCERN

The Company's business activities, together with the factors likely to affect its future development, its financial position, financial risk management objectives and its exposures to price, credit, liquidity and cash flow risk are described in the business review above.

The Company is a member of a Group with considerable financial resources and has long-term contracts with a large number of customers throughout the United Kingdom.

After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operation existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial report and statements.

## DIRECTORS AND THEIR INTERESTS

The present directors of the Company are shown on page 1. Directors of the Company throughout the year and at the year end were J- M Jalinier, G Laroche and Y J Arbeille.

## DIRECTORS' LOANS

No unsecured non-interest-bearing loans were made to the directors.

## CHARITABLE DONATIONS

During the year the Company did not make any made donations for charitable purposes. .

## DISABLED EMPLOYEES

The Company gives every consideration to applicants for employment from disabled persons where the requirements of the job may be adequately covered by a disabled or handicapped person.

With regards to existing employees and those who have become disabled during the year, the Company has continued to examine ways and means of providing continuing employment under normal terms and conditions and to provide training and career development and promotion whenever appropriate.

**DIRECTORS' REPORT (CONTINUED)**

**EMPLOYMENT INVOLVEMENT**

During the year, the policy of providing employees with information about the Company has continued

**DIRECTORS' AND OFFICERS' LIABILITY**

Directors' and officers' liability insurance has not been purchased by the Company during the year.

**SUPPLIER PAYMENT POLICY**

The Company's policy is to settle terms of payment with suppliers when agreeing the terms of each transaction. This ensures that suppliers are made aware of the terms of payment and abide by the terms.

**AUDITORS**

The directors who were members of the board at the time of approving the directors' report are listed on page 1.

Having made enquiries of fellow directors and of the Company's auditors, each of these directors confirms that:

- to the best of each director's knowledge and belief, there is no information relevant to the preparation of their report of which the company's auditors are unaware; and
- each director has taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the company's auditors are aware of that information.

The Auditors will change in 2014 in line with Renault's policy of regular rotation of auditors.

Approved by the Board of Directors  
and signed on behalf of the Board

I Esmail  
Company Secretary  
26 August 2014

## STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with UK Generally Accepted Accounting Practice (UK Accounting Standards and applicable law). The financial statements are required by law to 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 judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GRIGNY (UK) LIMITED

We have audited the financial statements of Grigny (UK) Limited for the year ended 31 December 2013 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses, and the related notes 1 to 13. 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 set out on page 7, 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 Report and Financial Statements 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 2013 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.

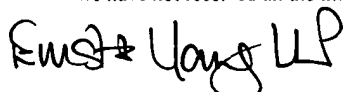
### Opinion on other matter prescribed by the Companies Act 2006

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

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

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

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



Juliet Thomas, Senior statutory auditor  
for and on behalf of Emst & Young LLP, Statutory Auditor  
City Luton  
Date 11/9/14



# GRIGNY (UK) LIMITED

## PROFIT AND LOSS ACCOUNT Year ended 31 December 2013

	Note	2013 £'000	2012 £'000
<b>TURNOVER</b>	2	6,960	5,470
Cost of sales		(6,383)	5,387
Gross profit		577	83
Selling and distribution costs		(2)	(60)
Administrative expenses		(1,098)	(422)
<b>OPERATING (LOSS)</b>	4	(523)	(399)
Interest receivable and similar income	5	6	13
<b>(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(517)	(386)
Tax on (loss) / profit on ordinary activities	6	-	-
<b>(LOSS) /PROFIT FOR THE YEAR</b>	11	(517)	(386)

All activities derive from continuing operations.

A statement of the movement in reserves and shareholders' funds is shown in note 11.

There are no recognised gains and losses other than the profit or losses for the period

# GRIGNY (UK) LIMITED

## BALANCE SHEET

31 December 2013

	Note	2013 £'000	2012 £'000
<b>FIXED ASSETS</b>			
Tangible assets		-	-
		-	-
<b>CURRENT ASSETS</b>			
Debtors - amounts falling due within one year	8	7,302	5,854
Cash at bank and in hand		-	23
		7,302	5,877
<b>CREDITORS: amounts falling due within one year</b>	9	(3,869)	(1,927)
<b>NET CURRENT ASSETS</b>		3,433	3,950
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		3,433	3,950
<b>NET ASSETS EXCLUDING PENSION LIABILITY</b>		3,433	3,950
<b>NET ASSETS</b>		3,433	3,950
<b>CAPITAL AND RESERVES</b>			
Called up share capital	10	25,725	25,725
Profit and loss account	11	(22,292)	(21,775)
<b>EQUITY SHAREHOLDERS' FUNDS</b>	11	3,433	3,950

These financial statements were approved by the Board of Directors on 26<sup>th</sup> August 2014.

The Company's Registration Number is 1341588.

Signed on behalf of the Board of Directors

  
Gilles Laroche

Finance Director

26<sup>th</sup> August 2014

# GRIGNY (UK) LIMITED

## NOTES TO FINANCIAL STATEMENTS

Year ended 31 December 2013

### 1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted are described below.

#### **Accounting convention**

The accounts have been prepared under the historical cost convention.

The Company has taken advantage of the exemption allowed under Financial Reporting Standard No1 (Revised) "Cash flow statements" not to prepare a cash flow statement as it is a wholly-owned subsidiary of a parent company established under the law of a member state of the European Union, which prepares a cash flow statement.

#### **Going Concern**

The Company's business activities, together with the factors likely to affect its future development and position are set out in the Business Review section of the Strategic Report on page 4.

The Company is expected to continue to generate positive cash flows on its own account for the foreseeable future. The Company participates in the group's centralized treasury arrangements and so shares banking arrangements with its parent and fellow subsidiaries.

The directors, having assessed the responses of the directors of the company's parent, Renault, to their enquiries have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the Renault group to continue as a going concern or its ability to continue with the current banking arrangements.

On the basis of their assessment of the Company's financial position and of the enquiries made of the directors of Renault, the Company's directors have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

# GRIGNY (UK) LIMITED

## NOTES TO FINANCIAL STATEMENTS

Year ended 31 December 2013

### Taxation

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

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those which are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

### Foreign currencies

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

Transactions in foreign currencies are translated into Sterling at the rates of exchange ruling at the dates of the transactions. Translation differences are dealt with in the profit and loss account.

## 2. TURNOVER

Turnover represents the invoiced amount of goods sold and services provided stated, net of Value Added Tax and other sales taxes. Turnover and pre-tax profit are attributable to one activity, the importation and distribution of KERS units to Motor Racing Teams participating in the Formula 1 races. All turnover arises in the UK.

## 3. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

	2013 £'000	2012 £'000
<b>Directors' emoluments</b>		
Other emoluments, including benefits in kind	-	-
	<u>          </u>	<u>          </u>
<b>Remuneration of the highest paid director</b>		
Other emoluments, including benefits in kind	-	-
	<u>          </u>	<u>          </u>

There is no accrued pension or accrued lump sum in respect of any directors (2012: Nil) as their pension liabilities are met entirely by the parent company.

Directors are remunerated through other group entities and the services provided by the directors to the company are inconsequential versus their roles in respect of other group companies.

Retirement benefits are accruing for three directors under the parent company pension arrangements.

# GRIGNY (UK) LIMITED

## NOTES TO FINANCIAL STATEMENTS

Year ended 31 December 2013

	2013 £'000	2012 £'000
<b>Staff costs during the year (including directors)</b>		
Wages and salaries	512	282
Social security costs	116	35
	<u>628</u>	<u>317</u>

	2013 No.	2012 No.
<b>Average number of persons (including directors) employed</b>		
Office and management	<u>5</u>	<u>4</u>
	<u>5</u>	<u>4</u>

### 4. OPERATING (LOSS)/PROFIT

	2013 £'000	2012 £'000
<b>Operating (loss)/profit is after charging/(crediting):</b>		
Auditors' remuneration:		
Audit services	10	10
Gain on foreign exchange	(41)	0
Loss on foreign exchange	43	60
	<u>12</u>	<u>70</u>

### 5. Interest receivable and similar income

	2013 £'000	2012 £'000
Bank deposit accounts	<u>6</u>	<u>13</u>
	<u>6</u>	<u>13</u>

## Year ended 31 December 2013

	2013 £'000	2012 £'000
UK corporation tax on profit for the year at 23.25% (2012: 24.5%)		
Current year	-	-
Prior year adjustment	-	-
	<u>-</u>	<u>-</u>
Deferred taxation	-	-
Current year	-	-
	<u>-</u>	<u>-</u>
Tax on profit on ordinary activities	-	-
	<u>-</u>	<u>-</u>

	2013 £'000	2012 £'000
Loss on ordinary activities before tax	(517)	(386)
Tax on ordinary activities at standard rate 23.25% (2012: 24.5%)	(120)	(95)
<i>Factors affecting charge for the year:</i>		
Capital allowances in excess of depreciation	12	-
Group Relief	108	95
Excess management expenses	-	-
Total actual amounts of current tax	-	-

### Factors affecting future tax charges

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# GRIGNY (UK) LIMITED

## NOTES TO FINANCIAL STATEMENTS

Year ended 31 December 2013

### 7. DEFERRED TAXATION

	2013 £'000	2012 £'000
As at 1 January	-	-
Prior year adjustment	-	-
Current year charge	-	-
	<u>-</u>	<u>-</u>
	-	-
	<u>-</u>	<u>-</u>
Analysis of deferred tax balance :		
Capital allowances in excess of depreciation	-	-
Other short term timing differences	-	-
	<u>-</u>	<u>-</u>
Tax on profit on ordinary activities	-	-
	<u>-</u>	<u>-</u>

### 8. DEBTORS

	2013 £'000	2012 £'000
Trade debtors	2,553	3,410
Amounts owed by group undertakings:		
Fellow subsidiary	3,789	2,030
Other Debtors	960	414
	<u>7,302</u>	<u>5,854</u>

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

	2013 £'000	2012 £'000
Deferred income	-	1,304
Amounts owed to group undertakings:		
Fellow subsidiary	3,413	555
Other creditors:		
Other creditors	1	12
Taxation and social security	203	46
Provisions	101	-
Accruals and deferred income	151	10
	<u>3,869</u>	<u>1,927</u>

# GRIGNY (UK) LIMITED

## NOTES TO FINANCIAL STATEMENTS

Year ended 31 December 2013

### 10. CALLED UP SHARE CAPITAL

	2013 £'000	2012 £'000
Authorised, allotted, called up and fully paid: 25,725,000 ordinary shares of £1 each	<u>25,725</u>	<u>25,725</u>

### 11. COMBINED RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS AND STATEMENT OF MOVEMENT ON RESERVES

	Issued share capital £'000	Profit and loss account £'000	Shareholders' Funds £'000
At 31 December 2012	25,725	(21,775)	3,950
Loss for the year	-	(517)	(517)
At 31 December 2013	<u>25,725</u>	<u>(22,292)</u>	<u>3,433</u>

### 12. RELATED PARTY DISCLOSURES

The Company has taken advantage of the exemption granted by paragraph 3(c) of Financial Reporting Standard 8 not to disclose transactions with transactions with 100% wholly owned and controlled Renault group companies who are related parties.

Transactions with the directors are disclosed in the directors' report.

### 13. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The Company's immediate parent undertaking is Renault Developpement Industrial et Comercial sas, which is incorporated in France. The ultimate parent undertaking and ultimate controlling party is Renault, a company incorporated in France. This is the parent undertaking of the largest and smallest group of which the Company is a member and for which consolidated financial statements are prepared. Copies of these financial statements may be obtained from 13-15 Quai Alphonse Le Gallo, 92513 Boulogne-Billancourt Cedex, France.