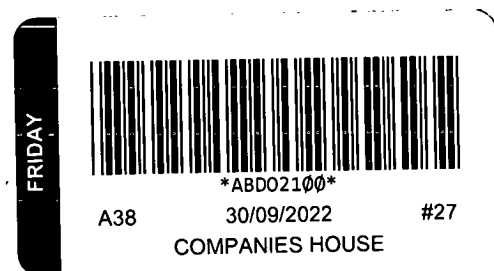


Northern Forklift (Scotland) Limited
Unaudited financial statements
for the year ended 31 December 2021

Registered number: 03911775



Northern Forklift (Scotland) Limited

**Unaudited financial statements
for the year ended 31 December 2021**

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Northern Forklift (Scotland) Limited

Strategic report for the year ended 31 December 2021

The director presents his strategic report on the Company for the year ended 31 December 2021.

Principal activities

The principal activities of the Company are that of a service provider specialising in the sale, servicing and rental of materials handling equipment and other associated equipment.

Review of the business

The Company operates in a competitive environment within a distinct geographic area of the UK and offers a local service that matches the needs of the small to medium size forklift truck fleets that it supports.

Customers are able to purchase equipment outright or rent trucks on a short or long term hire basis. Service support is provided by locally employed engineers and the Company operates its own delivery fleet and drivers to maintain the local service offering.

At the beginning of 2021 the UK entered another national lockdown in response to the Coronavirus pandemic. Unlike the initial impact observed in March 2020 the business was in a better position to respond and the impact observed less severe. Results improved year on year and having utilised the Government's Coronavirus Job Retention Scheme in 2020, only minor support of £11,050 was required in 2021 (2020: £133,607). Profit before taxation for the year is now higher than in 2019, the last full year pre-Coronavirus pandemic.

Turnover for the twelve months to 31 December 2021 was £6,671,338 compared to £7,142,075 for the prior year, a slight reduction year on year due to a large customer account now trading directly through the immediate parent company within the Briggs Equipment group. Despite the reduction in turnover, profit before taxation for the twelve months to 31 December 2021 was £1,423,424 compared to £1,369,952 for the prior year.

The business demonstrates good customer retention and management has control of both its operations and expense base. A reclassification between administration costs and cost of sales (£571,260) contributed to a reduction in administration costs and an increase in cost of sales and administration costs also benefiting from synergies with the immediate parent company.

The immediate parent company, Briggs Equipment UK Limited, has taken advantage of the exemption set out in Section 479C (Audit Exemption) of the Companies Act 2006 and opted to file unaudited accounts.

Future developments

The Company continues to take advantage of the support of its immediate parent company and leverages this to drive efficiencies through engineering services, procurement and customer relationship management as a consequence of being part of the Briggs Equipment group. The Company continues to integrate more deeply within Briggs Equipment group's geographical presence within Scotland.

Whilst the worst of the Coronavirus pandemic appears to have passed, equipment, lead times from manufacturers have substantially increased, delaying deliveries to customers. The supply of equipment is not expected to normalise until 2023. Global and United Kingdom economic outlooks have also worsened, with both inflation and interest rates rising to levels not seen for a number of years.

In considering the financial effects of both the Coronavirus pandemic and the wider economic challenges observed within the United Kingdom, local management has analysed, assessed and scrutinised the resulting projections and scenario planning that is prepared by Briggs Equipment UK Limited in its response to these factors. In this respect the director is confident that the overall going concern position is fully supported, and that no material uncertainties in relation to going concern have been identified.

Northern Forklift (Scotland) Limited

Strategic report for the year ended 31 December 2021 (continued)

Financial risk management

The Company's operations expose it to some aspects of financial risks which include, liquidity risk and credit risk. The procedures implemented to effectively manage these risks are detailed below.

Credit risk

The effects of credit risk are controlled as the Company has implemented policies that require appropriate credit checks on potential customers before sales are made. The amount of exposure to any individual counterparty is proactively monitored and is subject to a limit, which is regularly reassessed. The Board receives regular reports on amounts due and amounts significantly overdue and the relevant action taken.

Liquidity risk

Appropriate cash flow forecasts are prepared to assess the Company's cash requirements. The Company proactively assesses and manages its cash requirements and its available facilities to ensure sufficient funds are available.

Approved by the director and signed by:



P. B. Jones
Director

26 September 2022

Northern Forklift (Scotland) Limited

Director's report for the year ended 31 December 2021

The director presents his report and the unaudited financial statements of the Company for the year ended 31 December 2021.

Future developments

An indication of future developments of the business is included in the Strategic report on page 3.

Dividends

The director does not recommend the payment of a dividend (2020: £nil).

Financial risk management

Financial risk management is described in the Strategic report on page 4.

Director

The director of the Company who was in office during the year and up to the date of signing the financial statements, unless otherwise stated, was:

P B Jones

Director's indemnities

The Company maintained throughout the year, and at the date of approval of the financial statements, liability insurance for its director and officers. This is a qualifying provision for the purposes of the Companies Act 2006.

Disabled employees

Applications for employment by disabled persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the Company continues and the appropriate training is arranged. It is the policy of the Company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Employee consultation

The Company maintains a policy of regular consultation and discussion with its employees by means of periodic meetings and newsletters on a wide range of issues that are likely to affect their interests and ensure that all employees are aware of the financial and economic performance of the Company.

Going concern

The director has adopted the going concern basis in preparing these financial statements (see note 3 to the financial statements).

Northern Forklift (Scotland) Limited

Directors' report for the year ended 31 December 2021 (continued)

Statement of director's responsibilities in respect of the financial statements

The director is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

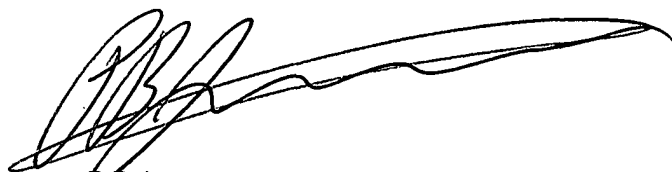
Company law requires the director to prepare financial statements for each financial period. Under that law the director has prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). Under company law the director must not approve the financial statements unless he is 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 the financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The director is 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 director is 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 him to ensure that the financial statements comply with the Companies Act 2006.

Approved by the director and signed:



P B Jones
Director

26 September 2022

Registered number: 03911775

Northern Forklift (Scotland) Limited**Statement of comprehensive income
for the year ended 31 December 2021**

	Note	2021	2020
		£	£
			Restated
Turnover	5	6,671,338	7,142,075
Cost of sales		(4,206,477)	(4,417,833)
Gross profit		2,464,861	2,724,242
Distribution costs		(60,247)	(65,005)
Administrative expenses		(954,070)	(1,317,572)
Other operating income	6	11,050	133,607
Operating profit	7	1,461,594	1,475,272
Interest receivable and similar income	9	-	521
Interest payable and similar charges	9	(38,170)	(105,841)
Net interest expense	9	(38,170)	(105,320)
Profit before taxation		1,423,424	1,369,952
Tax on profit	10	(255,919)	(136,349)
Profit and total comprehensive income for the year		1,167,505	1,233,603

The notes on pages 11 to 28 are an integral part of these financial statements.

The prior year comparatives have been restated:

- i. to report engineers' salaries in Cost of sales. These costs were previously included in Administrative expenses and have been reclassified to create consistency in Group reporting. There is no impact on Profit and total comprehensive income for the year in 2020 as a result of this restatement;
- ii. to reverse goodwill amortisation for a de-recognised intangible asset.

Northern Forklift (Scotland) Limited

**Statement of financial position
as at 31 December 2021**

	Note	2021 £	2021 £	2020 £ Restated	2020 £ Restated
Fixed assets					
Tangible assets	11		7,041,081		6,252,576
			7,041,081		6,252,576
Current assets					
Inventories	12	716,522		762,747	
Debtors: amounts falling due within one year	13	1,067,057		1,156,542	
Debtors: amounts falling due after one year	13	59,825		15,762	
Cash at bank and in hand		986,723		1,338,157	
		2,830,127		3,273,208	
Creditors: amounts falling due within one year	14	(1,633,910)		(1,983,277)	
Net current assets			1,196,217		1,289,931
Total assets less current liabilities			8,237,298		7,542,507
Creditors: amounts falling due after more than one year	14		(701,360)		(1,174,073)
Net assets			7,535,938		6,368,434
Capital and reserves					
Called up share capital	16		82		82
Capital redemption reserve			30,018		30,018
Retained earnings			7,505,838		6,338,333
Total equity			7,535,938		6,368,433

The prior year comparatives have been restated to de-recognise a goodwill asset and associated intangible asset amortisation.

Northern Forklift (Scotland) Limited

**Statement of financial position
as at 31 December 2021 (continued)**

For the financial year ending 31 December 2021 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Director's responsibilities:

- The members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of account

The notes on pages 11 to 28 are an integral part of these financial statements.

The financial statements on pages 7 to 28 were approved by the director on 26 September 2022 and were signed on behalf of the board by:



P. B. Jones
Director

Registered no. 03911775

Northern Forklift (Scotland) Limited

**Statement of changes in equity
for the year ended 31 December 2021**

	Called- up share capital	Capital redemption reserve	Retained earnings	Total equity
	£	£	£	£
			Restated	Restated
Restated balance at 1 January 2020	82	30,018	5,104,730	5,134,830
Profit and total comprehensive income for the year	-	-	1,233,603	1,233,603
Restated balance as at 31 December 2020	82	30,018	6,338,333	6,368,433
Balance at 1 January 2021	82	30,018	6,338,333	6,368,433
Profit and total comprehensive income for the year	-	-	1,167,505	1,167,505
Balance as at 31 December 2021	82	30,018	7,505,838	7,535,938

The notes on pages 11 to 28 are an integral part of these financial statements.

Northern Forklift (Scotland) Limited

Notes to the financial statements for the year ended 31 December 2021

1 General information

The principal activity of Northern Forklift (Scotland) Limited ("the Company") is that of a service provider specialising in the sale, servicing and leasing of materials handling equipment and other associated equipment.

The Company is a private company limited by shares and is incorporated in the United Kingdom and domiciled in Scotland. The address of its registered office is Orbital 7, Orbital Way, Cannock, Staffordshire, WS11 8XW.

2 Statement of compliance

The financial statements of Northern Forklift (Scotland) Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102 (section 1A), "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

3 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

These financial statements are prepared on a going concern basis, under the historical cost convention.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 4.

Going concern

After reviewing the Company's forecasts and projections, the director has a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements. The Company has received confirmation from its immediate parent undertaking that it will provide financial support to the Company for a period of not less than 12 months from the date of approval of these financial statements to ensure the Company can meet its liabilities as they fall due.

Exemptions for qualifying entities under FRS102

The Company has taken advantage of the following exemptions;

Under FRS102 paragraph 1.12(b), the exemption from preparing a statement of cash flows on the basis that it is a qualifying entity and its immediate parent company as at 31 December 2021, Briggs Equipment UK Limited, includes the Company's cash flows in its own consolidated financial statements.

Under FRS102 paragraph 33.1A, the exemption from disclosing related party transactions with other companies that are wholly owned by its immediate parent company as at 31 December 2021.

Northern Forklift (Scotland) Limited

Notes to the financial statements for the year ended 31 December 2021 (continued)

3 Summary of significant accounting policies (continued)

Foreign currency

Functional and presentation currency

The Company's functional currency is pound sterling which is presented in the financial statements rounded to the nearest pound.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for goods and services sold, net of discounts, exchange rate differences where sales are conducted in foreign currencies and value added taxes.

The Company bases its estimate of returns on the type of customer, the type of transaction and the specifics of each arrangement.

The Company recognises revenue when (a) the significant risks and rewards of ownership have been transferred to the buyer; (b) the company retains no continuing involvement or control over the goods and (c) when the specific criteria relating to each of the company's sales channels have been met, as described below.

Sale of goods

The Company sells a range of equipment and parts, with revenue recognised during the period in which the product is delivered or when the significant risks and rewards of ownership of the goods have transferred to the buyer. Sale of goods sales are usually by cash, credit or payment card.

Sales of services

Sales of services revenue includes the following:

- Contract hire income for the rental of equipment on a short time basis.
- Maintenance contract revenue where title to the rental asset resides with the Company, revenue is recognised on a straight-line basis over the anticipated period of the contract. Where title to the rental asset does not reside with the Company and the Company is under a contractual obligation to maintain the asset to a pre-defined standard, revenue in respect of maintenance contracts is recognised on the percentage completion methods based on the anticipated cost of repairs over the life cycle of the equipment.
- Engineering services revenue is primarily the repair and maintenance of customer owned equipment, and also the repair of Company owned equipment damaged on either a leasing or contract hire agreement chargeable to the customer.

Northern Forklift (Scotland) Limited

Notes to the financial statements for the year ended 31 December 2021 (continued)

3 Summary of significant accounting policies (continued)

Revenue recognition (continued)

Interest income

Interest income is recognised using the effective interest rate method.

Employee benefits

The Company provides a range of benefits to employees, including paid holiday arrangements and defined contribution pension plans.

Short term benefits

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

Defined contribution pension plan

The Company operates a defined contribution pension plan for its employees. The contributions to the plan are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the Company in separately administered funds.

Taxation

Taxation expense for the year comprises current and deferred tax recognised in the reporting year. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the year end.

Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

Northern Forklift (Scotland) Limited

Notes to the financial statements for the year ended 31 December 2021 (continued)

3 Summary of significant accounting policies (continued)

Development costs

Development costs are recognised as an expense as incurred.

Tangible assets

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price and costs directly attributable to bring the asset to its working condition for its intended use.

Leasehold improvements, plant and machinery, fixtures and fittings and computer hardware are stated at cost less accumulated depreciation.

Rental equipment is stated at cost less accumulated depreciation. Rental equipment is transferred into tangible assets from inventories at the inception of the associated rental contract and transferred back to inventories at the conclusion of the contract.

Depreciation is calculated using the straight-line method to allocate cost to the assets residual values over their estimated useful lives, as follows:

• Leasehold improvements	Life of the lease
• Plant and machinery	3 – 7 years
• Fixtures and fittings	5 years
• Motor vehicles	3 – 7 years

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively.

Impairment of assets

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit ("CGU") to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGU's). non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

Inventories

Inventories are stated at the lower of cost and fair value less costs to sell. For finished products and work in progress, cost consists of raw materials, direct personnel costs and other direct costs. Provision is made for obsolete or slow moving items where appropriate.

Northern Forklift (Scotland) Limited

Notes to the financial statements for the year ended 31 December 2021 (continued)

3 Summary of significant accounting policies (continued)

Provisions and contingencies

Provisions are recognised when the Company has a legal or constructive obligation resulting from past events and it is probable that payment will be required to meet the obligation, and that the amount can be calculated in a reliable manner. No provisions are made for future operating losses.

Repurchase commitments

Certain transactions between the Company and external financing companies can include a commitment from the Company to repurchase assets at the end of associated third party lease agreements. This repurchase liability is matched by an equivalent asset (the repurchased equipment) subject to the repurchase price not exceeding the realisable value of the associated asset. The repurchase commitment is recorded as a creditor in the balance sheet together with an equivalent asset recorded within debtors.

Financial instruments

The Company has adopted Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financing arrangement, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

Financial liabilities

Basic financial liabilities, including trade and other payables and loans from fellow group companies are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Distributions to equity holders

Dividends to the Company's shareholder are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the Company's shareholders.

These amounts are recognised in the statement of changes in equity.

Related party transactions

The Company discloses transactions with related parties that are not wholly owned with the same group. It does not disclose transactions with members of the same group that are wholly owned.

Northern Forklift (Scotland) Limited

Notes to the financial statements for the year ended 31 December 2021 (continued)

4 Critical accounting judgements and estimation uncertainty

Company management and the director make estimates and assumptions about the future. These estimates and assumptions impact recognised assets and liabilities, as well as revenue and expenses and other disclosures. These estimates are based on historical experience and on various assumptions considered reasonable under the prevailing conditions. The actual outcome may diverge from these estimates if other assumptions are made, or other conditions arise. The estimates and assumptions that may have a significant effect on the carrying amounts of assets and liabilities within the financial year include:

Critical judgements in applying the entity's accounting policies

- Tangible and intangible assets

Tangible and intangible assets are recognised at cost, less accumulated depreciation, amortisation and any impairments. Amortisation and depreciation take place over the estimated useful life, down to the assessed residual value. The carrying amount of the Company's fixed assets is tested as soon as changed conditions show that a need for impairment has arisen. The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period.

- Leases

All customer leases are treated as operating leases however if a contract is larger and more complex, management considers the nature and criteria of the contract to determine the classification of the lease. The Company retains the right to change assets during the course of a lease. The repair and maintenance requirements are at the risk of the Company and there is no right to purchase the asset from the Company at the end of the lease period. Any extensions to leases are solely at the Company's discretion and at rates proposed by the Company at the end of the lease.

Critical accounting estimates and assumptions

- Inventory (note 12)

The cost of inventory and associated provisioning are considered regularly. When calculating the inventory provision, management considers the nature and condition of the inventory, as well as applying assumptions around anticipated saleability and usage of finished goods and future usage of component parts.

- Depreciation (note 11)

Depreciation is calculated using the straight-line method to allocate cost to the assets' residual values over their estimated useful lives. The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period.

Northern Forklift (Scotland) Limited

Notes to the financial statements for the year ended 31 December 2021 (continued)

5 Turnover

The turnover and profit on ordinary activities before taxation are attributable to the principal activities of the Company being that of a service provider specialising in the sale, servicing and renting of materials handling equipment and other associated equipment. An analysis of turnover by geography and category is given below:

Analysis of turnover by geography:

	2021	2020
	£	£
Europe	62,215	-
United Kingdom	6,609,123	7,142,075
	6,671,338	7,142,075

Analysis of turnover by category:

	2021	2020
	£	£
Sale of goods	2,002,554	2,213,230
Leasing	3,948,601	3,873,775
Services	720,183	1,055,070
	6,671,338	7,142,075

Northern Forklift (Scotland) Limited**Notes to the financial statements
for the year ended 31 December 2021 (continued)****6 Other operating income**

	2021	2020
	£	£
Furlough contribution to wages and salaries	11,050	121,766
Furlough contribution to social security costs	-	9,353
Furlough contribution to other pension costs	-	2,488
	11,050	133,607

During the year the Company furloughed a small number of its employees for varying periods of time, utilising the UK Government's Coronavirus Job Retention Scheme. Amounts received by the Company constitute a government grant and as of 31 December 2021, all conditions of the scheme have been met. As such, the Company has recognised income of £11,050 in respect of this grant (2020: £133,607).

7 Operating profit

Operating profit is stated after (crediting)/charging:

	2021	2020
	£	£
Impairment of trade receivables	354	43,713
(Gain)/loss on disposal of tangible fixed assets	(9,435)	5,213
Depreciation of tangible assets	1,754,412	1,748,728
Operating lease charges	112,330	108,794
Reorganisation costs	-	21,980

The Company has opted to file unaudited accounts, therefore no auditor's remuneration has been incurred in the year to December 2021 (2020: £nil).

Northern Forklift (Scotland) Limited**Notes to the financial statements
for the year ended 31 December 2021 (continued)****8 Employees and employee benefits**

	2021	2020
	£	£
Wages and salaries	1,047,802	1,306,754
Social security costs	120,050	90,489
Other pension costs	67,525	33,463
Staff costs	1,235,377	1,430,706

Other pension costs of £67,525 (2020: £33,463) relate to the Company's payments to the defined contribution pension scheme. There were no unpaid contributions as at 31 December 2021 (2020: £nil).

The average monthly number of persons employed by the Company during the year was:

	2021	2020
By activity	No.	No.
Operational	20	23
Sales	2	3
Administration	8	10
	30	36

The Director received no emoluments in respect of their services to the Company (2020 £nil).

9 Net interest expense

	2021	2020
	£	£
Interest receivable and similar income	-	521
Interest payable on other loans	(38,170)	(105,841)
Net interest expense	(38,170)	(105,320)

Northern Forklift (Scotland) Limited

**Notes to the financial statements
for the year ended 31 December 2021 (continued)**

10 Tax on profit

(a) Tax expense included in the statement of comprehensive income

	2021	2020
	£	£
<hr/>		
Current tax:		
UK Corporation tax on profits for the period	301,348	333,468
Adjustments in respect of prior periods	(1,366)	(57,649)
Total current tax	299,982	275,819
<hr/>		
Deferred tax:		
Origination and reversal of timing differences	(57,765)	(85,373)
Adjustments in respect of prior periods	(888)	(61,425)
Impact of rate change	14,590	7,328
Total deferred tax	(44,063)	(139,470)
Tax on profit	255,919	136,349
<hr/>		

Northern Forklift (Scotland) Limited

**Notes to the financial statements
for the year ended 31 December 2021 (continued)**

10 Tax on profit (continued)

(b) Reconciliation of tax charge

Tax assessed for the period is lower (2020: lower) than the standard rate of corporation tax in the UK for the year ended 31 December 2021 of 19% (2020: 19%). The differences are explained below:

	2021	2020
	£	£
		Restated
Profit before taxation	1,423,424	1,369,952
Profit before tax multiplied by the standard rate of tax in the UK of 19% (2020: 19%)	270,451	260,291
Other timing differences	(29,365)	(13,314)
Expenses not deductible for tax purposes	1,189	1,118
Movement in adjustments to tax charge in relation of prior period	(946)	(119,074)
Impact of rate change	14,590	7,328
Total tax charge for the year	255,919	136,349

The prior year comparatives have been restated:

- i. to reverse the goodwill capitalised and amortisation on the intangible assets

Northern Forklift (Scotland) Limited

**Notes to the financial statements
for the year ended 31 December 2021 (continued)**

11 Tangible assets

	Building and leasehold improvements	Rental equipment	Plant and machinery	Fixtures and hardware fittings	Computer hardware	Total
	£	£	£	£	£	£
Cost						
At 1 January 2021	221,921	14,777,267	357,488	16,149	100,979	15,473,804
Additions	-	2,617,790	1,648	-	10,020	2,629,458
Transfers out	-	(646,838)	-	-	-	(646,838)
Disposals	-	(97,326)	(29,100)	-	-	(126,426)
At 31 December 2021	221,921	16,650,893	330,036	16,149	110,999	17,329,998
Accumulated Depreciation						
At 1 January 2021	(221,921)	(8,617,814)	(282,000)	(13,783)	(85,710)	(9,221,228)
Charge for the year	-	(1,710,338)	(34,285)	(1,287)	(8,502)	(1,754,412)
Transfers out	-	561,112	-	-	-	561,112
Disposals	-	97,326	28,285	-	-	125,611
At 31 December 2021	(221,921)	(9,669,714)	(288,000)	(15,070)	(94,212)	(10,288,917)
Net book amount at 31 December 2021	-	6,981,179	42,036	1,079	16,787	7,041,081
Net book amount at 31 December 2020	-	6,159,453	75,488	2,366	15,269	6,252,576

Transfers out represent transfers of rental equipment to inventory at the end of its economic life.

Fixed assets are included at historical cost to the Company.

Northern Forklift (Scotland) Limited**Notes to the financial statements
for the year ended 31 December 2021 (continued)****12 Inventories**

	2021	2020
	£	£
Work in progress	11,398	9,362
Finished goods and goods for resale	705,124	753,385
	716,522	762,747

There was no significant difference between the replacement cost of inventories and their carrying amounts. Inventories are stated after provisions for impairment of £23,176 (2020: £15,623).

13 Debtors: amounts falling due within one year

	2021	2020
	£	£
Trade debtors	1,048,587	1,133,820
Amounts owed by group undertakings	2,677	-
Other debtors	2,739	7,258
Prepayments and accrued income	13,054	15,464
	1,067,057	1,156,542

Trade debtors are stated after provisions for impairment of £15,063 (2020: £45,000). Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

Debtors: amounts falling due after one year

	2021	2020
	£	£
Deferred tax asset	59,825	15,762
	59,825	15,762

Northern Forklift (Scotland) Limited**Notes to the financial statements
for the year ended 31 December 2021 (continued)****14 Creditors: amounts falling due within one year**

	Note	2021	2020
		£	£
Trade creditors		189,242	395,634
Amounts owed to group undertakings		250,453	37,827
Taxation and social security		490,977	370,952
Obligations under hire purchase contracts	20	489,384	911,121
Accruals and deferred income		213,854	267,744
		1,633,910	1,983,277

Amounts payable to group undertakings are unsecured, interest free, repayable on demand and are settled monthly. No interest is charged on late payment.

Creditors: amounts falling due after more than one year

	Note	2021	2020
		£	£
Amounts falling due between one and five years			
Obligations under hire purchase contracts	20	701,360	1,174,073
		701,360	1,174,073

Northern Forklift (Scotland) Limited

**Notes to the financial statements
for the year ended 31 December 2021 (continued)**

15 Deferred tax

Deferred tax consists of the following deferred tax asset:

	2021	2020
	£	£
Decelerated capital allowances	(59,825)	(15,762)
Total deferred tax	(59,825)	(15,762)

	2021
	£
At 1 January 2021	(15,762)
Charged to profit and loss account	(44,063)
As at 31 December 2021	(59,825)

16 Called up share capital

	No.	£
Authorised equity shares of £1 each		
At 31 December 2020 and at 31 December 2021	82	82
Allotted and fully paid ordinary shares of £1 each		
At 31 December 2020 and at 31 December 2021	82	82

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital. There were no changes to share capital during the year.

Northern Forklift (Scotland) Limited

**Notes to the financial statements
for the year ended 31 December 2021 (continued)**

17 Financial Instruments

The Company has the following financial instruments:

	2021	2020
	£	£
<hr/>		
Financial assets that are debt instruments measured at amortised cost:		
Trade debtors	1,048,587	1,133,820
Other debtors	2,739	7,258
Amounts due from group undertakings	2,677	-
	<hr/> 1,054,003	<hr/> 1,141,078
Financial liabilities measured at amortised cost:		
Trade creditors	189,242	395,634
Other borrowings	1,190,744	2,085,194
Amounts owed to group undertakings	250,453	37,827
	<hr/> 1,630,439	<hr/> 2,518,655
	<hr/>	

Northern Forklift (Scotland) Limited

**Notes to the financial statements
for the year ended 31 December 2021 (continued)**

18 Capital and other commitments

At 31 December 2021 the Company had the following capital commitments:

	2021	2020
	£	£
Contracts for future capital expenditure not provided in the financial statements – property, plant and equipment	1,811,199	2,601,700

The Company had the following future minimum lease payments payable under non-cancellable operating leases for each of the following periods:

	2021	2020
	£	£
Payments due:		
Not later than one year	88,622	84,824
Later than one year and not later than five years	46,445	69,679
	135,067	154,503

19 Lease commitments

The Company had the following future minimum payments payable under hire purchase agreements for each of the following periods:

	2021	2020
	£	£
Payments due:		
Not later than one year	489,384	992,267
Later than one year and not later than five years	701,360	1,092,927
	1,190,744	2,085,194

Northern Forklift (Scotland) Limited

Notes to the financial statements for the year ended 31 December 2021 (continued)

20 Leasing agreements

The Company had the following future minimum lease receivables under non-cancellable operating leases for each of the following periods:

	2021	2020
	£	£
Amounts receivable due:		
Not later than one year	3,412,542	3,086,753
Later than one year and not later than five years	7,925,180	6,890,016
	11,337,722	9,976,769

21 Related party transactions

The Company has taken advantage of the exemption contained within FRS 102 and not disclosed transactions or balances with companies that are fellow wholly owned subsidiaries of Sammons Enterprises Inc. In the period 1 January to 31 December 2021, Briggs Equipment UK Limited sold equipment and parts to Northern Forklift (Scotland) Limited for £362,608 (2020: £174,995).

22 Contingent liabilities

Some of the Company's assets are subject to a charge as security against the overall Briggs Equipment UK Limited group borrowings.

23 Controlling parties

The immediate parent undertaking is Briggs Equipment UK Limited, a Company incorporated in the United Kingdom.

The smallest company to consolidate the results of the Company is Briggs Equipment UK Limited and the accounts are available from Briggs Equipment UK Limited, Orbital 7, Orbital Way, Cannock WS11 8XW. The largest company to consolidate the results of the Company is Sammons Enterprises Inc. however accounts are not publicly available.