

Manitowoc Group (UK) Limited

Report and Financial Statements

Year ended

31 December 2020

Company Number 109849

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Manitowoc Group (UK) Limited

**Report and financial statements
for the year ended 31 December 2020**

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Directors

T L Doerr
D Antoniuk

Secretary and registered office

Prima Secretary Limited, St. Ann's Wharf, 112 Quayside, Newcastle upon Tyne, NE1 3DX

Company number

109849

Auditors

BDO LLP, 55 Baker Street, London, W1U 7EU

Manitowoc Group (UK) Limited

Strategic report for the year ended 31 December 2020

The directors present their strategic report together with the audited financial statements for the year ended 31 December 2020. The financial statements have been prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.

Business review and principal activities

The Company serves as an investment holding company. No change to this activity is envisaged.

The statement of comprehensive income is presented on page 7 and shows a profit before tax of £31.0m (2019 – profit before tax of £1.6m).

The directors continue to monitor the valuation of the Company's investments in subsidiaries with respect to the forecast of cash flows and net assets from the underlying company.

The directors resolved to pay an interim dividend of £37m (2019 - £0m).

Principal risks and uncertainties

Throughout the year, the Company identifies and reviews potential risk and uncertainties that could have a material impact on performance and has put in place internal processes and controls designed to mitigate these risks. Detailed planning processes and contingency plans are in place for adverse change to macro-economic conditions. The principal risks the company is exposed to are as follows:

Liquidity and interest rate risk

The Company is a participant in the group treasury function which has the objective of maintaining a balance between continuity of funding and appropriately investing in the money markets. All cash management is performed centrally and the Company's financial position is monitored regularly. The Company's policy is also to maintain access to a mixture of long term and short term debt finance from group companies and to regularly review interest rates within the framework of existing agreements.


Group risks are dealt with in the Annual Report of The Manitowoc Company, Inc., the ultimate parent organisation.

Going concern

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

Approval

This strategic report was approved on behalf of the Board on 24th September 2021.



David Antoniuk

Director

Manitowoc Group (UK) Limited

Directors' report for the year ended 31 December 2020

The directors present their report together with the audited financial statements for the year ended 31 December 2020.

Directors

The directors who held office during the year and to date were as follows:

T L Doerr
D Antoniuk

The Company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and exist at the date of this report.

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

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable 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.

Manitowoc Group (UK) Limited

Directors' report for the year ended 31 December 2020 (*continued*)

Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

The auditors, BDO LLP, are deemed to have been reappointed in accordance with section 487 of the Companies Act 2006.

On behalf of the Board



David Antoniuk

Director

24 September 2021

Manitowoc Group (UK) Limited

Independent auditor's report

Independent auditor's report to the members of Manitowoc Group (UK) Limited

Opinion on the 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 2020 and of the Company's profit for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Manitowoc Group (UK) Limited (the 'Company') for the year ended 31 December 2020 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Manitowoc Group (UK) Limited

Independent auditor's report

We have nothing to report in this regard.

Other Companies Act 2006 reporting

In our opinion, based on the work undertaken in the course of the audit:

- 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; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

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

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

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Holding discussions with management to understand the laws and regulations relevant to the Company. These included elements of financial reporting framework, Companies Act 2006, tax legislation and environmental regulations in the UK;
- Holding discussions with management and considering any known or suspected instances of non-compliance with laws and regulations or fraud identified by them;

Manitowoc Group (UK) Limited

Independent auditor's report

- Testing the appropriateness of material journal entries made through the year to detect possible irregularities and fraud;
- Assessing the judgements made by management when making key accounting estimates and judgements, and challenging management on the appropriateness of these judgements;
- Communicating relevant identified laws and regulations and potential fraud risks to all engagement team members and remaining alert to any indications of fraud or non-compliance with laws and regulations throughout the audit

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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.

DocuSigned by:

Matt Crane

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Matt Crane (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London
24 September 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Manitowoc Group (UK) Limited

Statement of Comprehensive Income for the year ended 31 December 2020

	Note	2020 £'000	2019 £'000
Foreign currency gain/ (loss)		15,612	(13,655)
Other administrative expenses		(142)	(100)
Operating profit / (loss)	3	15,470	(13,755)
Interest receivable	4	15,571	15,372
Profit on ordinary activities before taxation		31,041	1,617
Taxation on profit on ordinary activities	5	(2,193)	10
Profit for the year		28,848	1,627
Comprehensive income for the year		28,848	1,627


The notes on pages 10 to 14 form part of these financial statements.

Manitowoc Group (UK) Limited

Balance sheet at 31 December 2020

<i>Company number: 109849</i>	Note	2020 £'000	2019 £'000
Current assets			
Cash and bank		30	10
Debtors	6	362,267	369,123
		<u>362,297</u>	<u>369,133</u>
Current liabilities			
Creditors		(1,325)	(9)
		<u>360,972</u>	<u>369,124</u>
Net current assets			
		<u>360,972</u>	<u>369,124</u>
Net assets			
		<u>360,972</u>	<u>369,124</u>
Capital and reserves			
Called up share capital	7	3,724	3,724
Capital reserve		259,584	259,584
Profit and loss account		97,664	105,816
		<u>360,972</u>	<u>369,124</u>

The financial statements were approved by the Board of Directors and authorised for issue on 24th September 2021.



David Antoniuk
Director

The notes on pages 10 to 14 form part of these financial statements.

Manitowoc Group (UK) Limited

Statement of changes in equity For the year ended 31 December 2020

	Share capital £'000	Share Premium £'000	Capital Reserve £'000	Profit and loss Account £'000	Total Equity £'000
1 January 2020	3,724	-	259,584	105,816	369,124
Comprehensive income for the year					
Profit for the year	-	-	-	28,848	28,848
Total comprehensive income for the year	-	-	-	28,848	28,848
Contributions by and distributions to owners					
Dividends	-	-	-	(37,000)	(37,000)
Total contributions by and distributions to owners	-	-	-	(37,000)	(37,000)
31 December 2020	3,724	-	259,584	97,664	360,972
1 January 2019	3,724	-	259,584	104,189	367,497
Comprehensive income for the year					
Profit or the year	-	-	-	1,627	1,627
Total comprehensive income for the year	-	-	-	1,627	1,627
Contributions by and distributions to owners					
Dividends	-	-	-	-	-
Total contributions by and distributions to owners	-	-	-	-	-
31 December 2019	3,724	-	259,584	105,816	369,124

The notes on pages 10 to 14 form part of these financial statements.

Manitowoc Group (UK) Limited

Notes forming part of the financial statements for the year ended 31 December 2020

1 Accounting policies

The financial statements have been prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the accounting policies.

The following principal accounting policies have been applied:

Consolidated Financial Statements

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 in the publicly available consolidated financial statements of the Manitowoc Company, Inc. These financial statements present information about the Company as an individual undertaking and not about its group.

Cash Flow

The Company has taken advantage of the exemption conferred by FRS 102 not to prepare a cash flow statement on the grounds that at least 90% of the voting rights are controlled by the group headed by The Manitowoc Company, Inc. and the Company is included in its consolidated financial statements.

Investments

Investments are held at cost less permanent diminution in value.

Financial assets

Financial assets are initially measured at transaction price (including transaction costs) and subsequently held at cost, less any impairment.

Financial liabilities and equity

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form. Financial liabilities are initially measured at transaction price (including transaction costs) and subsequently held at amortised cost.

Reserves

The Company's reserves include:

- Called up share capital reserve represents the nominal value of the shares issued.
- The share premium account includes the premium on issue of equity shares, net of any issue costs
- Profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

Manitowoc Group (UK) Limited

Notes forming part of the financial statements for the year ended 31 December 2020 (continued)

1 Accounting policies (Continued)

Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company's subsidiaries operate and generate taxable income.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax.

Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2 Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have made the following judgements:

Investments are held at cost less permanent diminution in value. Judgement has been applied by the directors in estimating the recoverability of loans and investments.

3 Operating profit

No auditors' remuneration has been charged in the financial statements 2020 as the charge will be incurred by an affiliate.

No Directors received any remuneration from the Company (2019 - £nil). The Company has one employee other than the Directors (2019 - one).

Manitowoc Group (UK) Limited

Notes forming part of the financial statements
for the year ended 31 December 2020 *(continued)*

4	Interest receivable	2020	2019
		£'000	£'000
	Interest receivable on amounts due from group undertakings	15,571	15,372
		<u> </u>	<u> </u>
5	Taxation on profit on ordinary activities	2020	2019
		£'000	£'000
	Profit on ordinary activities before tax	31,041	1,617
		<u> </u>	<u> </u>
	Profit on ordinary activities at the standard rate of corporation tax in the UK of 19% (2018 – 19%)	5,898	307
	Effects of:		
	Disallowed expenses	1	-
	Utilisation of tax losses brought forward	(3,143)	(283)
	Loss surrender from MTW Holdings (UK) Ltd.	(543)	-
	Capital allowance	(20)	(24)
		<u> </u>	<u> </u>
	Total tax charge for the year	2,193	-
		<u> </u>	<u> </u>

The Company has non-trade loan deficits and management and capital expenses of £39.2m carried forward (2019 - £55.7m). No deferred tax asset has been recognised given the uncertain nature of future taxable income.

Manitowoc Group (UK) Limited

Notes forming part of the financial statements for the year ended 31 December 2020 (continued)

6 Debtors

	2020 £'000	2019 £'000
Amount owed by group undertakings	362,267	369,123

The amounts owed by group undertakings comprise:

- Notes in the total amount of £97.0m bearing an interest rate of 300 basis points over the Bank of England base rate, and related interest receivables of £2.5m. These notes are repayable on demand.
- A note in the amount of EUR 285.9m bearing an interest rate of 4.75%, and related interest receivables of EUR 6.2m. The note is repayable on demand of the debtor.

7 Share capital

	2020 £'000	2019 £'000
<i>Allotted, called up and fully paid</i>		
372,380,000 (2019 - 372,380,000) ordinary shares of £0.01* each	3,724	3,724

8 Contingent Liabilities

There were no contingent liabilities as at 31 December 2020 (2019 - £Nil).

9 Related party disclosures

The Company is a wholly owned subsidiary of The Manitowoc Company, Inc. and has taken advantage of the exemption conferred under FRS 102 not to disclose transactions with The Manitowoc Company, Inc. or other wholly owned subsidiaries within the group.

Manitowoc Group (UK) Limited

**Notes forming part of the financial statements
for the year ended 31 December 2020 (*continued*)**

11 Subsequent events

No events to report.

12 Ultimate parent company

The Company's immediate parent is Manitowoc Holdings (UK) Limited, a company incorporated in England and Wales. The Directors regard The Manitowoc Company, Inc., a company incorporated in Wisconsin, USA, as the ultimate parent company and controlling entity. At reporting date The Manitowoc Company, Inc. was the smallest and largest group which prepares consolidated results and of which the Company forms a part. Copies of the financial statements of the Manitowoc Company, Inc. for the period up to 31st December 2020 can be obtained from the Secretary at 11270 West Park Place Suite 1000, Milwaukee, WI 53224.