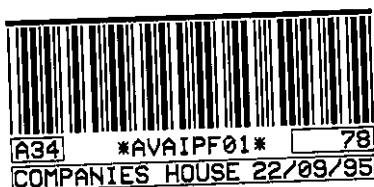


ARTHUR  
ANDERSEN

ARTHUR ANDERSEN & CO. SC

## Jungheinrich (G.B.) Limited

Accounts 31 December 1994  
together with directors' and auditors' reports  
Registered number: 757192



## Directors' report

For the year ended 31 December 1994

The directors present their annual report on the affairs of the company, together with the accounts and auditors' report, for the year ended 31 December 1994.

### Principal activity and business review

The principal activity of the company continues to be the sale, hire and servicing of mechanical handling equipment.

This year turnover increased from £49,183,424 to £60,051,688 and the operating profit for the year was £2,094,301 on an historic cost basis. The directors expect the general level of activity to continue in the ensuing year.

### Results and dividends

Results and recommended transfers to reserves are as follows:

	£
Accumulated deficit, beginning of year	(1,297,929)
Profit for the financial year	556,986
Accumulated deficit, end of year	<u>(740,943)</u>

No dividend can be paid.

### Directors and their interests

The directors who served during the year are as shown below.

K.D. Schenk	(resigned 31 December 1994)
P. Dürold	(resigned 30 April 1994)
R. Koenig	(appointed 1 May 1994)
S. Jeffs	(appointed 1 January 1995)

The directors do not have any interests required to be disclosed under Schedule 7 of the Companies Act 1985.

### Fixed assets

Information relating to changes in tangible fixed assets is given in note 9 to the accounts.

### Disabled employees

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes 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 that 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 with that of other employees.

## Directors' report (continued)

### Employee consultation

The company places considerable value on the involvement of its employees and has continued its previous practice of keeping them informed on matters affecting them as employees and on the various factors affecting the performance of the company.

### Auditors

The directors will place a resolution before the annual general meeting to reappoint Arthur Andersen as auditors.

By order of the Board,



R. Koenig

Secretary and Deputy Managing Director

Southmoor Road  
Wythenshawe  
Manchester  
M23 9DU

21 April 1995

## Statement of directors' and auditors' responsibilities

### Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which 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 those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 which 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 1985. 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.

### Auditors' responsibilities

Company law requires auditors to form an independent opinion on the financial statements presented by the directors based on their audit and to report their opinion to the shareholders. The Companies Act 1985 also requires auditors to report to the shareholders if the following requirements are not met:

- that the company maintained proper accounting records;
- that the financial statements are in agreement with the accounting records;
- that directors' emoluments and other transactions with directors are properly disclosed in the accounts; and
- that the auditors have obtained all the information and explanations which, to the best of their knowledge and belief, are necessary for the purpose of their audit.

The auditors' opinion does not encompass the directors' report on pages 1 and 2. However, the Companies Act 1985 requires auditors to report to the shareholders if the matters contained in the directors' report are inconsistent with the financial statements.

## Auditors' report

Manchester

To the Shareholders of Jungheinrich (G.B.) Limited:

We have audited the financial statements on pages 5 to 21 which have been prepared under the historical cost convention and the accounting policies set out on pages 8 to 10.

### Respective responsibilities of directors and auditors

As described on page 3 the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

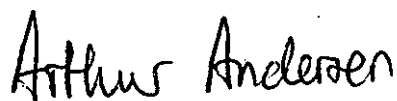
### Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company at 31 December 1994 and of its profit and cash flows for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Arthur Andersen  
Chartered Accountants and Registered Auditors

Bank House  
9 Charlotte Street  
Manchester  
M1 4EU

21 April 1995

# Profit and loss account

For the year ended 31 December 1994

	Notes	1994 £	1993 £
Turnover	2	60,051,688	49,183,424
Change in stocks of finished goods		891,112	139,000
Other operating income		41,444	53,343
		<u>60,984,244</u>	<u>49,375,767</u>
Raw materials and consumables		(37,761,371)	(25,253,553)
Other external charges		(154,156)	(130,554)
Wages and salaries	3	(9,190,970)	(8,402,764)
Social security costs		(798,653)	(732,921)
Other pension costs	4	(386,475)	(486,857)
Depreciation and amounts written off tangible fixed assets		(4,644,530)	(6,074,163)
Other operating charges		<u>(5,953,788)</u>	<u>(5,340,826)</u>
Operating profit		2,094,301	2,954,129
Interest receivable and similar income	5	843,000	739,000
Interest payable and similar charges	6	<u>(1,947,315)</u>	<u>(2,284,793)</u>
Profit on ordinary activities before taxation	7	989,986	1,408,336
Tax on profit on ordinary activities	8	<u>(433,000)</u>	<u>(396,000)</u>
Profit for the financial year		556,986	1,012,336
Accumulated deficit, beginning of year		<u>(1,297,929)</u>	<u>(2,310,265)</u>
Accumulated deficit, end of year		<u>(740,943)</u>	<u>(1,297,929)</u>

All activity has arisen from continuing operations.

The company has no recognised gains or losses other than the profit for the year.

A statement of movements on reserves is given in Note 18.

The accompanying notes are an integral part of this profit and loss account.

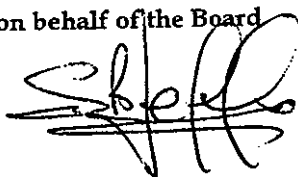
# Balance sheet

31 December 1994

	Notes	1994 £	1993 As restated £
<b>Fixed assets</b>			
Tangible assets	9	12,017,989	13,181,803
<b>Current assets</b>			
Stocks	10	6,778,189	3,710,572
Debtors: Amounts recoverable after more than one year	11	7,533,000	6,363,000
Debtors: Amounts recoverable in less than one year	11	18,312,132	13,620,935
Cash at bank and in hand		100,346	51,023
		32,723,667	23,745,530
Creditors: Amounts falling due within one year	12	(27,199,522)	(22,909,690)
Net current assets		5,524,145	835,840
Total assets less current liabilities		17,542,134	14,017,643
Creditors: Amounts falling due after more than one year	13	(15,974,077)	(13,234,572)
Provisions for liabilities and charges	14	(619,000)	(391,000)
Net assets		949,057	392,071
<b>Capital and reserves</b>			
Called-up share capital	15	1,690,000	1,690,000
Profit and loss account		(740,943)	(1,297,929)
Total capital employed		949,057	392,071

Signed on behalf of the Board

S Jeffs



Director

21 April 1995

A reconciliation of shareholders' funds is given in note 19.

The accompanying notes are an integral part of this balance sheet.

Prior year balances have been restated in accordance with the requirements of Financial Reporting Standards 4 and 5 (Notes 10 and 13).

# Cash flow statement

For the year ended 31 December 1994

	Notes	1994		1993	
		£	£	£	£
Net cash inflow from operating activities	16a		3,531,867		11,068,686
Returns on investments and servicing of finance					
Interest paid		(394,337)		(503,645)	
Interest element of finance lease payments		(1,416,340)		(1,781,148)	
Interest element of finance lease receipts		843,000		739,000	
Net cash outflow from returns on investments and servicing of finance			(967,677)		(1,545,793)
Investing activities					
Purchase of tangible fixed assets		(6,021,119)		(4,257,283)	
Sale of tangible fixed assets		2,794,808		1,498,369	
Purchase of trucks subsequently sold to leasing companies		(3,680,706)		(3,491,662)	
Net cash outflow from investing activities			(6,907,017)		(6,250,576)
Net cash (outflow) inflow before financing			(4,342,827)		3,272,317
Financing	16b				
Capital element of finance lease payments		(6,380,782)		(7,308,518)	
Capital element of finance lease receipts		2,801,068		2,046,303	
Cash received from assets sold to leasing companies		3,988,706		3,990,471	
New unsecured loan repayable 1996		1,500,000		-	
Net cash inflow (outflow) from financing			1,908,992		(1,271,744)
(Decrease) increase in cash and cash equivalents	16c		(2,433,835)		2,000,573

The accompanying notes are an integral part of this statement.



## Notes to accounts

31 December 1994

### 1 Accounting policies

A summary of the principal accounting policies, all of which have been applied consistently throughout the year and the preceding year, except as described in notes 10 and 13, is set out below.

#### a) *Basis of accounting*

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards.

#### b) *Tangible fixed assets*

Tangible fixed assets are shown at cost less accumulated depreciation.

Depreciation is provided on a straight line basis to write off the cost of fixed assets over their estimated economic lives, as follows:

Freehold buildings	25 years
Motor vehicles	4 years
Fixtures, fittings, tools and equipment	5 years
Trucks on hire to customers	5 years
Plant and machinery	8 years

#### c) *Leased assets*

##### Finance leases

Certain trucks for hire, motor vehicles and office equipment are held under finance leases. A sum equivalent to the cost of these assets is capitalised and is depreciated over the shorter of the lease term or the estimated economic lives of the assets. A corresponding amount is recorded as a creditor and is reduced by the capital element of the annual lease payments. Finance charges are allocated to accounting periods over the period of the lease to produce a constant rate of interest on the outstanding balance. Residual interest in stocks and corresponding liabilities are recognised in respect of the buy back cost of trucks sold to leasing companies under sale and repurchase transactions where the repurchase requirements become effective on the expiry of lease contracts.

##### Back-to-back finance leases

The company also enters into certain lease transactions whereby it acts as both lessee and lessor in respect of trucks. The capital elements of the obligations under these arrangements payable to lessors are included within creditors, with corresponding amounts receivable from lessees included in debtors. Finance charges payable and receivable are allocated to accounting periods over the period of the leases to produce a constant rate of interest on the outstanding balances. Lease payments receivable, to the extent that they exceed lease payments payable, represent maintenance income which is recognised when it arises.

## Notes to accounts (continued)

### 1 Accounting policies (continued)

#### c) *Leased assets (continued)*

##### Operating leases

Certain land and buildings and plant and machinery are held under operating leases, for which rentals are charged on a straight line basis over the lease term. Further information on charges in the year and future commitments is given in Note 17b.

#### d) *Stocks*

Finished goods are stated at the lower of first-in, first-out cost (including duty and inward carriage charges) or net realisable value.

#### e) *Long-term contracts*

In the case of long-term contracts, turnover represents the proportion of contract value applicable to the activity in the year. Turnover is ascertained by reference to specific points during contracts at which individual elements of turnover can be identified. The related costs are matched with this turnover, resulting in the reporting of attributable profit proportionate to the contract activity. Where the outcome of a contract cannot be foreseen with reasonable certainty but no loss is expected, turnover and costs are recorded as activity progresses using a zero estimate of profit.

Estimates of total contract costs and revenues are reviewed periodically, and the cumulative effects of changes are recognised in the period in which they are identified. All known or anticipated losses are provided for in full as soon as they are foreseen.

Net costs incurred in excess of amounts transferred to cost of sales are classified as long-term contract balances. Revenues recognised in excess of amounts billed are classified as amounts recoverable on contracts and are included in debtors. Amounts billed in excess of revenues recognised to date are deducted from related long-term contract balances with any residual balance being classified as payments on account and included in creditors. Long-term contract balances are stated at contract cost incurred less amounts transferred to cost of sales, foreseeable losses, and payments on account.

#### f) *Taxation*

Corporation tax payable is provided on taxable profits at the current rate.

Deferred taxation (which arises from differences in the timing of the recognition of items, principally depreciation, in the accounts and by the tax legislation) has been calculated using the liability method. Deferred taxation is provided on all and only those timing differences which will probably reverse, at the rates of tax likely to be in force at the time of the reversal. Deferred taxation is not provided on timing differences which, in the opinion of the directors, will probably not reverse. However, the amount of all deferred taxation, including that which will probably not reverse, is shown in note 14.

## Notes to accounts (continued)

### 1 Accounting policies (continued)

#### g) *Turnover*

Turnover, other than on long-term contracts, comprises the sales value of goods made available to customers under finance leases and invoiced sales of goods, services and rental income, net of trade discounts, allowances and value added tax.

#### h) *Foreign currency*

Transactions denominated in foreign currency are recorded in the local currency at actual exchange rates as of the date of the transaction or where appropriate, at the rate of exchange in the related forward exchange contract. Monetary assets and liabilities denominated in foreign currency at the year end are reported at the rates of exchange prevailing at the year end or, where appropriate, at the rate of exchange in a related forward exchange contract. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in the profit and loss account.

#### i) *Pension costs*

The amount charged to the profit and loss account in respect of the company's defined benefit pension scheme comprises the regular cost of providing the benefits earned during the year adjusted for variations from the regular cost. The regular cost is calculated so that it represents a substantially level percentage of current and future pensionable payroll. Variations from regular cost are allocated to accounting periods as a constant percentage of pensionable payroll over employees' estimated average remaining service life.

Any difference between amounts charged in the profit and loss account and contributions paid to external funds held by independent trusts is shown in the notes to the accounts.

Further information on pension costs is provided in note 4.

### 2 Turnover

Contributions to turnover by geographical area were as follows:

	1994 £	1993 £
United Kingdom	58,629,241	48,379,191
Other European Countries	1,422,447	804,233
	<u>60,051,688</u>	<u>49,183,424</u>

Included in the turnover which arises from Europe is £577,618 (1993 - £365,000) of sales made to other group undertakings.

## Notes to accounts (continued)

### 3 Wages and salaries

The average weekly number of persons employed by the company during the year was as follows:

	1994 Number employed	1993 Number employed
Service	258	255
Administration and sales	206	194
	<u>464</u>	<u>449</u>

Directors' remuneration in respect of directors of the company who served during the year was as follows:

	1994 £	1993 £
Emoluments (including pension contributions)	<u>222,435</u>	<u>253,145</u>

The directors' remuneration shown above (excluding pensions and pension contributions) included:

	1994 £	1993 £
Chairman and highest paid director	<u>129,267</u>	<u>142,665</u>

Directors received emoluments (excluding pensions and pension contributions) in the following ranges:

	1994 Number	1993 Number
£ 20,001 - £ 25,000	1	-
£ 45,001 - £ 50,000	1	-
£ 85,001 - £ 90,000	-	1
£ 125,001 - £ 130,000	1	-
£ 140,001 - £ 145,000	<u>-</u>	<u>1</u>

## Notes to accounts (continued)

### 4 Other pension costs

Contributions to the company's defined benefit pension scheme are determined by a qualified actuary on the basis of triennial valuations using the projected accrued benefit method. The most recent valuation was at 6 April 1994. The assumptions which have the most significant effect on the results of the valuation are those relating to the rate of return on investments and the rate of increase in salaries. It was assumed that investment returns would be 9% per annum and that salary increases would average 6.5% per annum, plus a scale to reflect merit and promotional increases.

At the valuation date the market value of the scheme's assets was £6,926,521 and the valuation showed that the actuarial value of these assets represented approximately 118% of the benefits that had accrued to members calculated on the basis of the projected accrued benefit method. The surplus is being spread over the remaining service lives of the current employees.

The pension charge for the year was £386,475 (1993 - £486,857).

Included in prepayment and accrued income is a prepayment of £46,000 which represents the excess of contributions paid over the accumulated pension cost (1993 - provision of £129,754 included within creditors).

### 5 Interest receivable and similar income

Interest receivable and similar income represents the interest element of charges receivable under finance leases.

### 6 Interest payable and similar charges

	1994 £	1993 £
On bank loans, overdrafts and other loans		
- repayable within five years, by instalments	1,416,340	1,781,148
- repayable within five years, not by instalments	530,975	503,645
	<u>1,947,315</u>	<u>2,284,793</u>

Included in the above is the interest element of charges payable under finance leases amounting to £1,416,340 (1993 - £1,781,148) and interest paid to group undertakings of £2,012 (1993 - £Nil).

## Notes to accounts (continued)

### 7 Profit (loss) on ordinary activities before taxation

Profit (loss) on ordinary activities before taxation is stated after charging:

	1994 £	1993 £
Depreciation and amounts written off tangible fixed assets		
- owned	1,844,449	2,262,525
- held under finance leases	2,800,081	3,811,638
Hire of plant and machinery under operating leases	1,018,300	763,859
Other operating lease rentals	898,104	768,204
Auditors' remuneration		
- audit services	26,900	26,500
- non-audit services	11,200	13,000

There is no material difference between the profit on ordinary activities before taxation and the retained profit for the year, for both 1993 and 1994, and their respective historical cost equivalents.

### 8 Tax on profit on ordinary activities

The tax charge is based on the profit for the year, and comprises:

	1994 £	1993 £
Corporation tax at 33% (1993 - 33%)	205,000	5,000
Deferred taxation arising from		
- capital allowances	123,000	424,000
- other timing differences	105,000	(33,000)
	<u>433,000</u>	<u>396,000</u>

## 9 Tangible fixed assets

	Freehold land and buildings £	Motor vehicles	Fixtures fittings, tools and equipment	Trucks on hire	Plant and machinery	Total
		Owne <u>d</u> £	Lease <u>d</u> £	Owne <u>d</u> £	Owne <u>d</u> £	£
<b>Cost</b>						
Beginning of year	48,900	757,835	138,088	1,329,146	8,421,880	14,030,684
Additions	-	28,474	-	148,385	5,844,258	212,929
Disposals	-	(214,186)	(138,088)	(292,966)	(3,351,461)	(4,542,443)
End of year	48,900	572,123	-	1,184,565	10,914,677	9,701,170
<b>Depreciation</b>						
Beginning of year	11,855	631,272	128,594	959,274	2,358,437	7,541,950
Charge	1,956	96,830	9,494	174,257	1,541,782	2,790,587
Disposals	-	(210,889)	(138,088)	(292,971)	(965,845)	(4,178,025)
End of year	13,811	517,213	-	840,560	2,934,374	6,154,512
<b>Net book value</b>						
Beginning of year	37,045	126,563	9,494	369,872	6,063,443	6,488,734
End of year	35,089	54,910	-	344,005	7,980,303	3,546,658
					86,652	13,181,803
					57,024	12,017,989

## Notes to accounts (continued)

### 10 Stocks

The following are included in the net book value of stocks:

	1994 £	1993 As restated £
Finished goods	3,497,112	2,606,000
Residual interest in stocks	3,281,077	1,104,572
	<u>6,778,189</u>	<u>3,710,572</u>

In accordance with Financial Reporting Standard 5, residual interest in stocks has been recognised in respect of the buy back cost of trucks sold to leasing companies under sale and repurchase transactions where the repurchase requirements become effective on the expiry of lease contracts operated by these third parties. The corresponding liabilities are recognised in creditors under amounts falling due after more than one year, as shown in note 13. Residual interest in stocks crystallise after more than one year.

### 11 Debtors

The following are included in the net book value of debtors:

	1994 £	1993 £
Amounts falling due within one year:		
Trade debtors	13,702,060	8,879,023
Amounts owed by other group undertakings	216,268	4,720
Receivable under leasing agreements	3,229,300	3,759,151
Other debtors	448,399	779,039
Prepayments and accrued income	716,105	199,002
	<u>18,312,132</u>	<u>13,620,935</u>
Amounts falling due after more than one year:		
Receivable within five years under leasing agreements	7,533,000	6,363,000
	<u>25,845,132</u>	<u>19,983,935</u>

The cost of trucks acquired under finance leases during the year, for the purpose of making them available to customers under finance leases, was £3,988,706 (1993 - £3,990,471).



## Notes to accounts (continued)

### 12 Creditors: Amounts falling due within one year

The following amounts are included in creditors falling due within one year:

	1994 £	1993 £
Obligations under finance leases	5,325,047	6,780,123
Bank loans and overdrafts (unsecured)	9,549,515	7,066,357
Trade creditors	4,694,959	2,930,638
Amounts owed to other group undertakings	4,746,769	2,689,859
Other creditors		
- UK corporation tax payable	210,000	5,000
- VAT	917,258	549,168
- social security and PAYE	279,294	291,764
Accruals and deferred income	1,476,679	2,596,781
	<u>27,199,522</u>	<u>22,909,690</u>

Certain leasing obligations are secured on the company's leasing receivables.

Amounts owed to other group undertakings are unsecured, repayable on demand and do not incur interest.

### 13 Creditors: Amounts falling due after more than one year

The following amounts are included in creditors falling due after more than one year:

	1994 £	1993 As restated £
Bank loans	1,500,000	-
Obligations payable within five years under leasing agreements	9,093,000	10,030,000
Conditionally repayable intercompany loan	2,100,000	2,100,000
Liabilities in respect of sale and repurchase transactions	3,281,077	1,104,572
	<u>15,974,077</u>	<u>13,234,572</u>

The bank loans are unsecured, and are repayable to Societe Generale Hamburg in February 1996. The interest rates on the loans are renegotiated quarterly, based on movements in the German base rate. The interest rates in place at 31 December 1994 on the £1,000,000 loan and the £500,000 loan were 6.75% per annum and 6.3125% per annum respectively.

## Notes to accounts (continued)

### 13 Creditors: Amounts falling due after more than one year (continued)

In accordance with Financial Reporting Standard 4, £2,100,000 of conditionally repayable intercompany borrowings from Jungheinrich Beteiligungs GmbH, the immediate parent company, previously recognised as non distributable other reserves, has been reclassified within creditors: amounts falling due after more than one year. Prior year figures have accordingly been restated. These borrowings will become repayable when and to the extent that capital and reserves, excluding reserves relating to the loan, exceed £2,100,000. The company has also undertaken not to distribute future profits until the conditionally repayable loans have been fully repaid.

Liabilities in respect of sale and repurchase transactions represent the value of commitments to buy back trucks sold to leasing companies. Residual interest in trucks is reflected within stocks as detailed in Note 10.

### 14 Provision for liabilities and charges

#### *Deferred taxation*

Deferred taxation has been provided in full.

	1994 £	1993 £
Excess of tax allowances over book depreciation of owned fixed assets	547,000	424,000
Excess of book depreciation and finance charges for leased assets over tax allowances	105,000	40,000
Other timing differences	(33,000)	(73,000)
	<u>619,000</u>	<u>391,000</u>

The movement on deferred tax comprises:

	1994 £	1993 £
Beginning of year	391,000	-
Charged (credited) to profit and loss, in respect of		
- capital allowances	123,000	424,000
- other timing differences	105,000	(33,000)
End of year	<u>619,000</u>	<u>391,000</u>

### 15 Called-up share capital

	1994 £	1993 £
<i>Authorised, allotted, called-up and fully-paid</i>		
1,690,000 ordinary shares of £1 each	<u>1,690,000</u>	<u>1,690,000</u>

## Notes to accounts (continued)

### 16 Cash flow information

#### a) Reconciliation of operating profit to net cash inflow from operating activities

	1994 £	1993 £
Operating profit	2,094,301	2,954,129
Depreciation charges	4,644,530	6,074,163
Profit on sale of tangible fixed assets	(41,444)	(53,343)
Profit on sale of trucks under back-to-back finance leases	(308,000)	(498,809)
Increase in stocks	(3,067,617)	(138,771)
(Increase) decrease in debtors	(4,886,520)	1,399,995
Increase in creditors	5,096,617	1,331,322
<b>Net cash inflow from operating activities</b>	<b>3,531,867</b>	<b>11,068,686</b>

#### b) Analysis of changes in financing

	Share capital £	Conditionally repayable intercompany loans £	Bank loan £	Finance lease obligations £
Balance at 1 January 1993	1,690,000	2,100,000	-	20,128,170
Capital payments	-	-	-	(7,308,518)
Inception of finance lease contracts	-	-	-	3,990,471
<b>Balance at 31 December 1993</b>	<b>1,690,000</b>	<b>2,100,000</b>	<b>-</b>	<b>16,810,123</b>
Capital receipts (payments)	-	-	1,500,000	(6,380,782)
Inception of finance lease contracts	-	-	-	3,988,706
<b>Balance at 31 December 1994</b>	<b>1,690,000</b>	<b>2,100,000</b>	<b>1,500,000</b>	<b>14,418,047</b>

## Notes to accounts (continued)

### 16 Cash flow information (continued)

#### c) Analysis of changes in cash and cash equivalents during the year

	1994 £	1993 £
Balance at beginning of year	(7,015,334)	(9,015,907)
Net cash (outflow) inflow	(2,433,835)	2,000,573
Balance at end of year	<u>(9,449,169)</u>	<u>(7,015,334)</u>

#### d) Analysis of the balances of cash and cash equivalents as shown in the balance sheet

	1994 £	1993 £
Cash at bank and in hand	100,346	51,023
Bank overdrafts	<u>(9,549,515)</u>	<u>(7,066,357)</u>
Net cash and cash equivalents at end of year	<u>(9,449,169)</u>	<u>(7,015,334)</u>

### 17 Guarantees and other financial commitments

#### a) Capital commitments

At the end of the year capital commitments were £800,000 (1993 : £Nil).

	£
Contracted for but not provided	195,000
Authorised but not contracted for	<u>605,000</u>
	<u>800,000</u>

#### b) Operating lease commitments

The company leases certain land and buildings on short and long-term operating leases. The annual rental on these leases was £898,104 (1993 - £768,204).

In addition, the company has entered into operating leases in respect of plant and machinery, the payments for which extend over a period of up to three years. The annual rental on these leases was £1,018,300 (1993 - £763,859).

## Notes to accounts (continued)

### 17 Guarantees and other financial commitments (continued)

#### b) Operating lease commitments (continued)

The minimum annual rentals under the foregoing leases are as follows:

	Property £	Plant and machinery £
1993		
Operating leases which expire		
- within 1 year	21,042	110,233
- within 2-5 years	-	739,767
- after 5 years	726,120	-
	<u>747,162</u>	<u>850,000</u>
1994		
Operating leases which expire		
- within 1 year	-	220,228
- within 2-5 years	93,074	798,072
- after 5 years	805,030	-
	<u>898,104</u>	<u>1,018,300</u>

Included in the above is an annual rental of £92,000 in respect of vacant property for which the lease expires in 2005. A sub-tenancy for an annual rental of £65,000 exists until 1997. The full potential liability if this property were to remain vacant throughout the subsequent remaining lease term is £736,000. The directors consider it unlikely that the liability will crystallise.

### 18 Movement on reserves

	Other reserves £	Profit and loss account £	Total £
Beginning of year, as previously reported	2,100,000	(1,279,929)	802,071
Prior year adjustment in respect of FRS4 (Note 13)	(2,100,000)	-	(2,100,000)
Beginning of year, as restated	-	(1,297,929)	(1,297,929)
Retained profit for the year	-	556,986	556,986
End of year	-	(740,943)	(740,943)

## Notes to accounts (continued)

### 19 Reconciliation of shareholders' funds

	1994 £	1993 £
Profit for the year	556,986	1,012,336
Shareholders' funds at the beginning of the year, as restated (Note 13)	392,071	(620,265)
Shareholders' funds at the end of the year	<u>949,057</u>	<u>392,071</u>

### 20 Ultimate parent company

The largest and smallest group of which Jungheinrich (G.B.) Limited is a member, and for which group accounts are drawn up is that headed by Jungheinrich AG, a company incorporated in Germany.

The consolidated accounts of this group are available to the public and may be obtained from Frederick-Ebert-Damm 129, 22047 Hamburg, Germany.