

**JUNGHEINRICH UK LIMITED**

**REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2010**

Company Number. 00757192

FRIDAY



\*AGEKCTB4\*

A63

15/04/2011

162

COMPANIES HOUSE

# **JUNGHEINRICH UK LIMITED**

## **CONTENTS**

	<b>Pages</b>
<b>Directors and advisers</b>	<b>1</b>
<b>Directors' report</b>	<b>2</b>
<b>Report of the independent auditor</b>	<b>6</b>
<b>Profit and loss account</b>	<b>8</b>
<b>Statement of total recognised gains and losses</b>	<b>8</b>
<b>Balance sheet</b>	<b>9</b>
<b>Notes to the financial statements</b>	<b>10</b>

# **JUNGHEINRICH UK LIMITED**

## **DIRECTORS AND ADVISERS**

### **Directors**

L Langrish-Smith  
H-H Schultz  
S Gradenwitz  
D Schulz  
R Ohlrogge  
J Kiel  
J-M Lorenz (appointed 1 March 2010)

### **Secretary and Registered Office**

L Langrish-Smith  
Sherbourne House  
Sherbourne Drive  
Tilbrook  
Milton Keynes  
MK7 8HX

### **Bankers**

**Barclays Bank PLC**  
Corporate Banking Centre  
P O Box 543  
51 Mosley Street  
Manchester  
M60 2BU

### **HSH NordBank**

Marstensdamm 6  
24103 Kiel  
Germany

### **Commerzbank**

Ness 7 – 9  
20457 Hamburg  
Germany

### **Statutory Auditor**

### **Deloitte LLP**

Chartered Accountants and Statutory Auditor  
St Albans, UK

### **Solicitors**

### **Brabners Chaffe Street**

Brook House  
77 Fountain Street  
Manchester  
M2 2EE

## **JUNGHEINRICH UK LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2010**

The directors present their report and the audited financial statements for the year ended 31 December 2010

#### **Principal activities**

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

#### **Review of business**

During the year, the market in which the company operates began to recover from the impact of the downturn experienced during 2009. Sales increased by 4.7% year on year. The business continued to work on improving its sales and service support functions and continuing to strengthen its relationships with major UK retailers and their suppliers.

These measures enabled the company to report an operating profit for the third successive year, with the £4,689k reported in 2010 showing a significant improvement on the operating profit in 2009. The recorded operating profit represents a return on sales of 3.8% (2009: 2.2%).

By eliminating its loans and overdrafts and therefore reducing the interest paid during the year, the company was able to report a profit before tax of £2,896k (2009: £1,938k). This improved profit before tax is in spite of a significantly higher interest cost arising on the company's defined benefit pension scheme (Jungheinrich UK Limited Retirement Benefit Scheme). Following a significant cash contribution of £10m and other changes in the actuarial valuation of the defined benefit pension scheme, the £6.3m deficit reported in 2009 has become a £3.1m surplus by 31 December 2010.

The company retains a strong net asset position. Control of stock and debtors remain priorities for the business in order to maintain this.

Following accreditation in February 2009 as an Investor in People (IiP), the company has continued to make positive changes to the ways in which it manages, supports, develops and rewards its people. With PAS99 (combined British Standards Health and Safety, Quality and Environmental Standard), the company leads its industry sector in terms of customer care and service.

Looking forward, the company is realistic about the continuing difficult economic environment and the recovery of volumes in its market sector. However, with the strength of its customer base, the quality of its products and services and the confidence of its employees, the company remains confident that it will be able to continue to improve its market position in the coming months.

## **JUNGHEINRICH UK LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2010 (CONTINUED)**

#### **Going concern**

As highlighted above, the economic conditions continue to create uncertainty over both the level of demand for the company's products and the exchange rate between sterling and euro

Taking into account changes in trading performance, the company's forecast and projections enable the directors to be confident that the company can operate within its bank facilities currently in place. Jungheinrich Aktiengesellschaft, the ultimate parent company, has allocated group banking facilities for Jungheinrich UK, which the directors believe would provide sufficient support in the absence of any other bank facilities. Accordingly, the directors continue to adopt the going concern basis in preparing the annual report and accounts

#### **Dividends**

The directors do not recommend the payment of a dividend (2009: £nil)

#### **Directors**

The directors of the company, including any changes during the year and since the year-end, are listed on page 1.

#### **Appointment of auditor**

The auditor, Deloitte LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006

#### **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 a disabled person should, as far as possible, be identical to that of a person who does not suffer from a disability.

Consultation with employees or their representatives has continued at all levels, with the aim of ensuring that views are taken into account when decisions are made that are likely to affect their interests and that all employees are aware of the financial and economic performance of their business units and of the company as a whole. Communication with all employees continues through the newsletters and distribution of the annual report.

---

## **JUNGHEINRICH UK LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2010 (CONTINUED)**

#### **Financial risk management**

##### *Price Risk*

The company is exposed to price risk as a result of its operations. The company sources most supplies from other group companies at agreed prices. The company has no exposure to equity securities price risk as it holds no listed or other equity investments.

##### *Credit Risk*

The company has implemented policies that require appropriate credit checks on potential customers before sales are made. The amount of exposure to any individual company is subject to a limit which is assessed by the credit control function with reference to external credit management agencies.

##### *Liquidity risk*

When required, the company has access to external loans secured by Jungheinrich AG, which ensures the company has sufficient available funds for operations and planned expansions. The liquidity of the company is discussed further in the going concern consideration in note 1 to the financial statements.

##### *Interest rate cash flow risk*

Interest is payable on bank loans and overdrafts at commercial rates.

##### *Creditor payment policy*

Our policy is to pay suppliers within their agreed terms. All suppliers are informed of our policy on the establishment of a new supplier account.

## **JUNGHEINRICH UK LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2010 (CONTINUED)**

#### **Statement of Directors' responsibilities**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with 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 judgments 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 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.

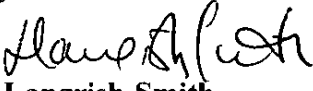
#### **Disclosure of information to auditor**

Each of the persons, who is a director at the date of approval of this report confirms that

- so far as the directors are aware, there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

**By order of the board**

  
**L Langrish-Smith**  
**Director**

8 April 2011

## **INDEPENDENT AUDITOR REPORT TO THE MEMBERS OF JUNGHEINRICH UK LIMITED**

We have audited the financial statements of Jungheinrich UK Limited for the year ended 31 December 2010 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes 1 to 23. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2010 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.



## **INDEPENDENT AUDITOR REPORT TO THE MEMBERS OF JUNGHEINRICH UK LIMITED (Continued)**

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

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

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

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

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



Heather Bygrave FCA (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditor  
St Albans, UK

13 March 2011

**JUNGHEINRICH UK LIMITED**  
**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED**  
**31 DECEMBER 2010**

	Notes	2010 £'000	2009 £'000
<b>Continuing operations</b>			
<b>Turnover</b>	2	<b>124,487</b>	<b>118,928</b>
Changes in stocks of spare parts and goods for resale		(73,889)	(66,798)
		<b>50,598</b>	<b>52,130</b>
Staff costs	4	(29,695)	(29,956)
Depreciation and amounts written off tangible fixed assets	9	(2,729)	(3,759)
Other operating expenses		(13,485)	(15,772)
<b>Operating profit</b>		<b>4,689</b>	<b>2,643</b>
Interest receivable and similar income	5	27	13
Interest payable and similar charges	6	(1,820)	(718)
<b>Profit on ordinary activities before taxation</b>	7	<b>2,896</b>	<b>1,938</b>
Tax on profit on ordinary activities	8	54	2,096
<b>Profit for the financial year</b>	19, 20	<b>2,950</b>	<b>4,034</b>

There is no difference between the loss on ordinary activities before taxation and the loss for the year stated above, and their historical cost equivalents.


**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR**  
**THE YEAR ENDED 31 DECEMBER 2010**

	Notes	2010 £'000	2009 £'000
Profit for the financial year		<b>2,950</b>	<b>4,034</b>
Actuarial gain/(loss) on defined benefit pension scheme	17	<b>524</b>	<b>(10,688)</b>
<b>Total recognised gains and losses relating to the year</b>		<b>3,474</b>	<b>(6,654)</b>

**JUNGHEINRICH UK LIMITED**  
**BALANCE SHEET AS AT 31 DECEMBER 2010**

	Notes	2010 £'000	2009 £'000
<b>Fixed assets</b>			
Tangible fixed assets	9	15,636	13,451
<b>Current assets</b>			
Stocks	10	19,665	22,521
Debtors amounts falling due within one year	11	34,459	33,038
Debtors amount falling due after more than one year	11	1,433	1,458
Cash at bank and in hand		1,389	5,619
		<b>56,946</b>	<b>62,636</b>
<b>Creditors: amounts falling due within one year</b>	12	<b>(45,251)</b>	<b>(42,431)</b>
<b>Net current assets</b>		<b>11,695</b>	<b>20,205</b>
<b>Total assets less current liabilities</b>		<b>27,331</b>	<b>33,656</b>
<b>Creditors amounts falling due after more than one year</b>	13	<b>(15,018)</b>	<b>(15,569)</b>
Provisions for liabilities and charges	15	<b>(1,247)</b>	<b>(1,092)</b>
<b>Net assets excluding pension asset/(liability)</b>		<b>11,066</b>	<b>16,995</b>
Net pension asset/(liability)	17	<b>3,126</b>	<b>(6,277)</b>
<b>Net assets including pension asset/(liability)</b>		<b>14,192</b>	<b>10,718</b>
<b>Capital and reserves</b>			
Called up share capital	18	63,972	63,972
Capital contribution		5,240	5,240
Profit and loss account	19	(55,020)	(58,494)
<b>Shareholders' funds</b>	20	<b>14,192</b>	<b>10,718</b>

The financial statements of the company (registration number 00757192) on pages 8 to 26 were approved by the board of directors and were signed on its behalf by:



**L Langrish-Smith**  
**Director**

[Date] 8 April 2011

# **JUNGHEINRICH UK LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010**

### **1 PRINCIPAL ACCOUNTING POLICIES**

The financial statements have been prepared on the going concern basis and in accordance with applicable accounting standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

#### **Basis of accounting**

The financial statements are prepared in accordance with the historical cost convention.

#### **Going concern**

As highlighted in the Directors' report on page 2 and 3 of the financial statements, the current economic conditions create uncertainty over both the level of demand for the company's products and the exchange rate between sterling and euro.

As a further measure of risk management, the company proactively screens both new and existing companies and takes positive steps to mitigate exposure, especially to contract hire, through a variety of different measures.

Taking into account changes in trading performance, the company's forecast and projections enable the directors to be confident that the company can operate within its bank facilities currently in place. Jungheinrich Aktiengesellschaft, the ultimate parent company, has allocated group banking facilities for Jungheinrich UK, which the directors believe would provide sufficient support in the absence of any other bank facilities.

Accordingly, the directors continue to adopt the going concern basis in preparing the annual report and accounts.

#### **Tangible fixed assets**

The cost of tangible fixed assets is their purchase cost, together with any incidental costs of acquisition. The land is not depreciated.

Depreciation is calculated so as to write off the cost of tangible fixed assets (non trucks) on a straight line basis over the expected useful economic lives of the assets concerned. Trucks on hire are subject to the reducing balance method.

**JUNGHEINRICH UK LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR**  
**ENDED 31 DECEMBER 2010 (CONTINUED)**

**Tangible fixed assets (continued)**

The principal lives used for this purpose are:

Freehold Buildings	25 years
Leasehold buildings	Over the remaining life of the lease
Motor vehicles	4 - 7 years
Fixtures, fittings, tools and equipment	3 - 10 years
Plant and machinery	5 - 8 years
Trucks on hire to customers PG 1	9 years
Trucks on hire to customer PG2	6 years
Trucks on hire to customer purchased prior to 2007	6.5 years

From 1 January 2007, the depreciation policy for trucks on hire to customers was changed to reflect the useful life of each type of product. This change applied to new trucks purchased only. Previously owned trucks remain at the same depreciation rate (6.5 years)

**Leased assets**

*Finance leases*

Certain trucks for hire are held under finance leases and hire purchase agreements. 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.

*Back to back finance leases*

The company also operates 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.

*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. The company also enters into operating lease transactions whereby it acts as lessors in respect of trucks. Rentals are charged on a straight line basis over the lease term.

**JUNGHEINRICH UK LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR**  
**ENDED 31 DECEMBER 2010 (CONTINUED)**

**Leased assets (continued)**

*Residual interests on leased trucks*

A significant portion of the company's UK sales are through leasing companies whereby the company sells a truck outright to the leasing company which in turn enters into a lease agreement with the customer. Some leases contain a commitment from the company to repurchase the truck from the customer at the end of the lease at a price specified in the lease agreement.

Consequently, the company has a liability to repurchase a truck at the end of the lease term which is matched by an equivalent asset, being the repurchased truck, subject to the extent that the repurchase price of the truck does not exceed its realisable value at the time of repurchase.

Accordingly, the repurchase commitment is recorded as an asset on the balance sheet along with an equivalent liability recorded within creditors payable either within or after one year, according to the timing of the commitments. The asset is classified based on the intentions of management. If the intention is to use the repurchased trucks within the business for the purposes of short-term leasing, then such assets are recorded within fixed assets. If the intention is to sell the assets upon repurchase, then such assets are recorded within stocks. The assets are not depreciated until repurchase.

**Stocks and long term contracts**

Trucks for resale are stated at the lower of first in first out cost (including duty and inward carriage charges) or net realisable value.

Long-term contract balances included in stocks comprise costs incurred on long-term contracts, net of amounts transferred to cost of sales, after deducting foreseeable losses and related payments on account.

Costs include all direct material incurred in bringing a contract to its stage of completion at the year end. Provision for estimated losses on contracts is made in the period in which such losses are foreseen.

**Turnover**

Turnover represents the value of goods made available to customers under finance leases and invoiced sales of goods (including service and rental income) after deducting returns, allowances and sales taxes.

Revenue on sale of goods is recognised upon dispatch.

# **JUNGHEINRICH UK LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010 (CONTINUED)**

### **Turnover (Continued)**

The company operates certain installation contracts that may operate for an extended period of time, the completion of which could span the balance sheet date. Accounting for such projects is recognised using the long-term contracting method of accounting on a project-by-project basis.

Turnover and profit is recognised using a degree of completion method appropriate to the stage of completion on the contracts based on sales value of work performed in the year by reference to the total sales value. Foreseeable losses are recognised immediately and in full in the profit and loss account.

Revenue on fixed term service contracts is recognised on a straight-line basis over the term of the contract. Revenue on short-term services rendered is recognised upon job completion. Revenue relating to goods made available to customers under finance leases is recognised upon commencement of contract.

### **Taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

Timing differences are temporary differences between profits as computed for taxation purposes and profits as stated in the financial statements which arise because certain items of income and expenditure in the financial statements are dealt with in different periods for taxation purposes.

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

UK corporation tax is provided at amounts expected to be paid using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

### **Cash flow**

The company is a wholly-owned subsidiary of Jungheinrich Beteiligungs GmbH, a company incorporated in Germany, and its cash flows are included within the consolidated cash flow statement for the group which is headed by Jungheinrich AG, a company incorporated in Germany. Consequently, the company is exempt under FRS1 (Revised) from the requirement to publish a cash flow statement.

# **JUNGHEINRICH UK LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010 (CONTINUED)**

### **Foreign currency transactions**

Assets and liabilities denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the balance sheet date. Foreign currency transactions completed during the year are translated at the rate of exchange when the transactions occurred. All realised profits and losses on exchange are dealt with through the profit and loss account.

### **Pensions**

The company operates a funded defined benefit pension scheme, the Jungheinrich UK Limited Retirement Scheme (the "scheme"). The amounts charged to operating profit are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the profit and loss account if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The interest cost and the expected return on assets are shown as a net amount of interest payable and similar charges. Actuarial gains and losses are recognised immediately in the statement of total recognised gains and losses.

The scheme is funded, with the assets held separately from those of the company, in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The resulting defined benefit asset or liability, net of the related deferred tax, is presented separately after other net assets on the face of the balance sheet. The pension costs have been calculated under FRS 17, Retirement Benefits, and assumptions used in the calculations are disclosed in note 17.

## **2 TURNOVER**

Contributions to turnover by geographical area (by destination) were as follows:

	<b>2010</b>	<b>2009</b>
	<b>£'000</b>	<b>£'000</b>
United Kingdom	<b>121,965</b>	115,830
Other European countries	<b>2,187</b>	1,883
Rest of the World	<b>335</b>	1,215
	<b>124,487</b>	<b>118,928</b>

Included in the turnover which arises from Europe is £1,542k (2009 £1,622k) of sales made to other group undertakings. Included in the turnover which arises from Rest of the World is £125k (2009 £95k) of sales made to other group undertakings.



**JUNGHEINRICH UK LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR**  
**ENDED 31 DECEMBER 2010 (CONTINUED)**

**3 DIRECTORS' EMOLUMENTS**

	<b>2010</b>	2009
	<b>£'000</b>	£'000
Emoluments (including pension contributions and benefits in kind)	<b>333</b>	398

Retirement benefits are accruing to one (2009: one) director under a defined benefit scheme

The emoluments of the highest paid director totalled £211k (2009 £210k).

**4 EMPLOYEE INFORMATION**

The average monthly number of persons (including executive directors) employed by the company during the year was:

	<b>2010</b>	2009
	<b>Number</b>	Number
<b>By activity</b>		
Service	<b>517</b>	541
Administration and sales	<b>217</b>	231
	<b>734</b>	772
	<b>£'000</b>	£'000
<b>Staff costs (for the above persons)</b>		
Wages and salaries	<b>25,155</b>	25,404
Social security costs	<b>2,313</b>	2,354
Other pension costs	<b>2,227</b>	2,198
	<b>29,695</b>	29,956

**5 INTEREST RECEIVABLE AND SIMILAR INCOME**

	<b>2010</b>	2009
	<b>£'000</b>	£'000
Finance leases and hire purchase contracts	<b>27</b>	13

**JUNGHEINRICH UK LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR**  
**ENDED 31 DECEMBER 2010 (CONTINUED)**

**6 INTEREST PAYABLE AND SIMILAR CHARGES**

	2010 £'000	2009 £'000
On bank loans, overdrafts and other loans	162	454
Net return on pension scheme (note 17)	1,658	264
	<u>1,820</u>	<u>718</u>

**7 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION**

Profit on ordinary activities before taxation is stated after charging/(crediting)

	2010 £'000	2009 £'000
Depreciation and amounts written off tangible fixed assets		
Owned	549	610
Held under finance leases	2,180	3,149
Auditor remuneration for		
Audit of the company's annual accounts	52	46
Hire of plant and machinery – operating leases	2,313	2,442
Hire of other assets – operating leases	534	391
Rentals receivable in respect of finance leases	(93)	(94)
Rentals receivable in respect of operating leases	(7,496)	(7,736)

**8 TAX ON PROFIT ON ORDINARY ACTIVITIES**

	2010 £'000	2009 £'000
Current tax - UK corporation tax	-	-
Deferred tax – recognition of deferred tax asset	54	2,096
Total tax on profit on ordinary activities	<u>54</u>	<u>2,096</u>
<b>Current tax reconciliation :</b>		
Profit on ordinary activities before tax	2,896	1,938
Current tax at 28% (2009 28%)	811	543
<i>Effects of</i>		
Expenses not deductible for tax purposes	41	43
Depreciation for period in excess of capital allowances	753	1,042
Other timing differences	(1,747)	(1,463)
Decrease/(increase) in losses carried forward	142	(164)
Group relief received	-	(1)
Current tax charge	<u>-</u>	<u>-</u>

**JUNGHEINRICH UK LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR**  
**ENDED 31 DECEMBER 2010 (CONTINUED)**

**9 TANGIBLE FIXED ASSETS**

	Freehold land and buildings	Leasehold land and buildings	Motor vehicles	Fixtures, fittings, tools and equipment	Trucks on hire	Plant and Machinery	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Cost</b>							
At 1 January 2010	5,822	277	1,292	1,829	15,717	879	25,816
Additions	2	18	172	78	6,092	38	6,400
Disposals	-	-	(501)	(3)	(6,849)	-	(7,353)
<b>At 31 December 2010</b>	<b>5,824</b>	<b>295</b>	<b>963</b>	<b>1,904</b>	<b>14,960</b>	<b>917</b>	<b>24,863</b>
<b>Depreciation</b>							
At 1 January 2010	1,136	208	1,059	1,628	7,809	525	12,365
Charge	205	20	99	87	2,180	138	2,729
Disposals	-	-	(501)	(3)	(5,363)	-	(5,867)
<b>At 31 December 2010</b>	<b>1,341</b>	<b>228</b>	<b>657</b>	<b>1,712</b>	<b>4,626</b>	<b>663</b>	<b>9,227</b>
<b>Net book value</b>							
At 31 December 2010	4,483	67	306	192	10,334	254	15,636
Net book value At 31 December 2009	4,686	69	233	201	7,908	354	13,451

Trucks on hire above are assets the company holds under finance leases and hire purchase agreements, and leases to others under operating leases

**10 STOCKS**

	2010 £'000	2009 £'000
Finished goods (including parts stock)	6,929	9,738
Residual interest in trucks	12,736	12,783
	<b>19,665</b>	<b>22,521</b>

**JUNGHEINRICH UK LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR**  
**ENDED 31 DECEMBER 2010 (CONTINUED)**

**11 DEBTORS**

	<b>2010</b>	<b>2009</b>
	<b>£'000</b>	<b>£'000</b>
<b>Amounts falling due within one year</b>		
Trade debtors	<b>18,363</b>	15,331
Amounts owed by other group undertakings	<b>14,792</b>	15,160
Amounts receivable under finance leases	<b>31</b>	70
Other debtors	<b>54</b>	64
Prepayments and accrued income	<b>502</b>	1,744
Deferred tax asset	<b>717</b>	669
	<b>34,459</b>	33,038
<b>Amounts falling due after more than one year</b>		
Receivables within five years under leasing agreements	<b>-</b>	31
Deferred tax asset	<b>1,433</b>	1,427
	<b>35,892</b>	34,496

**12 CREDITORS: amounts falling due within one year**

	<b>2010</b>	<b>2009</b>
	<b>£'000</b>	<b>£'000</b>
Bank loans and overdrafts (note 14)	<b>-</b>	8,325
Obligations under finance leases (note 14)	<b>1,744</b>	1,869
Liabilities in respect of sale and repurchase transactions (note 14)	<b>1,984</b>	1,556
Trade creditors	<b>11,033</b>	8,978
Other creditors		
Value added tax	<b>1,279</b>	971
Other creditors	<b>492</b>	413
Amounts owed to other group undertakings	<b>13,923</b>	9,716
Other taxation including social security	<b>664</b>	684
Accruals and deferred income	<b>14,132</b>	9,919
	<b>45,251</b>	42,431

**JUNGHEINRICH UK LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR**  
**ENDED 31 DECEMBER 2010 (CONTINUED)**

**13 CREDITORS: amounts falling due after more than one year**

	<b>2010</b>	<b>2009</b>
	<b>£'000</b>	<b>£'000</b>
Obligations payable within five years under finance leases (note 14)	<b>3,735</b>	4,035
Liabilities in respect of sale and repurchase transactions (note 14)	<b>11,283</b>	11,534
	<b><u>15,018</u></b>	<b><u>15,569</u></b>

Liabilities in respect of sale and repurchase transactions represent the value of commitments to buy back trucks sold to leasing companies

**14 LOANS AND OTHER BORROWING**

	<b>2010</b>	<b>2009</b>
	<b>£'000</b>	<b>£'000</b>
Bank loans and overdrafts (Unsecured)	-	8,325
Obligations under finance leases	<b>5,479</b>	5,904
Liabilities in respect of sale and repurchase transactions	<b>13,267</b>	13,090
	<b><u>18,746</u></b>	<b><u>27,319</u></b>

**JUNGHEINRICH UK LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR**  
**ENDED 31 DECEMBER 2010 (CONTINUED)**

**14 LOANS AND OTHER BORROWINGS (continued)**

<b>Finance leases</b>	<b>2010</b>	<b>2009</b>
Future minimum payments under finance leases are as follows	<b>£'000</b>	<b>£'000</b>
Within one year	<b>1,744</b>	<b>1,869</b>
Between two and five years	<b>3,359</b>	<b>3,428</b>
After five years	<b>376</b>	<b>607</b>
	<b>5,479</b>	<b>5,904</b>
<b>Liabilities in respect of sale and repurchase transaction</b>	<b>£'000</b>	<b>£'000</b>
Within one year	<b>1,984</b>	<b>1,556</b>
Between two and five years	<b>10,741</b>	<b>11,067</b>
After five years	<b>542</b>	<b>467</b>
	<b>13,267</b>	<b>13,090</b>

**15 PROVISIONS FOR LIABILITIES AND CHARGES**

	<b>2010</b>	<b>2009</b>
	<b>£'000</b>	<b>£'000</b>
Provision for warranties	<b>1,247</b>	<b>1,092</b>
The movement in the provision for warranty costs is as follows		<b>£'000</b>
At 1 January 2010		<b>1,092</b>
Utilisation of provision		<b>(1,092)</b>
Charge for the year		<b>1,247</b>
<b>At 31 December 2010</b>		<b>1,247</b>

The warranty provision has been calculated to cover the anticipated future labour and parts costs expected to be incurred in 2011 for warranty claims on trucks sold in 2010

**JUNGHEINRICH UK LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR**  
**ENDED 31 DECEMBER 2010 (CONTINUED)**

**16 DEFERRED TAXATION**

A deferred tax asset of £2,150k has been recognised as disclosed in Note 11, which relates to the future utilisation of trading losses brought forward. There are additional amounts arising from timing differences relating to fixed assets and trading losses brought forward available for offset against future profits, but these have not been recognised due to the uncertainties over the future utilisation of these items. The net deferred tax asset that has not been recognised (excluding the amount related to the pension scheme as disclosed in Note 17) amounts to £15,436k (2009: £13,749k).

**17 PENSION AND SIMILAR OBLIGATIONS**

Contributions to the defined benefit funded pension scheme are determined by a qualified Actuary on the basis of triennial valuations. The most recent valuation of the Jungheinrich UK Limited Retirement Benefits Scheme was at 6 April 2010. The assumptions which have the most significant effects on the results of the valuation are those relating to the rate of return on investments, expectations of future inflation and the general improvements in life expectancy.

It was assumed that investment returns would be 0.7% per annum in excess of long-dated gilt yields (5.15% at 6 April 2010) and inflation is assumed to be 3.7% per annum. The investment return assumption reflects the new long-term investment strategy adopted by the Trustees of the Scheme in early 2011 (which involves investing 70% of the Scheme's assets in gilts, 20% in equities and 10% in corporate bonds).

The market value of the scheme from the triennial valuation at 6 April 2010 was £98.8M and showed that the assets represented approximately 79% of the benefits accrued by members (also known as the Scheme's Technical Provisions) as at the valuation date, calculated on the basis of the projected accrued benefit method.

As a result of an ongoing review of the funding level of the scheme and the recent valuation, the company made a cash contribution to the scheme of £10m in December 2010.

**JUNGHEINRICH UK LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR**  
**ENDED 31 DECEMBER 2010 (CONTINUED)**

**17 PENSION AND SIMILAR OBLIGATIONS (continued)**

**FRS 17 disclosures**

The most recent actuarial valuation of the Scheme at 6 April 2008 was updated to 31 December 2010 by a qualified actuary, using a set of assumptions consistent with those required under FRS 17

The major assumptions used by the actuary were

	<b>2010</b>	<b>2009</b>	<b>2008</b>
Rate of increase in pensionable salaries	<b>3.55%</b>	4.45%	4.00%
Rate of increase in pensions in payment	<b>3.47%</b>	3.45%	3.00%
Discount rate	<b>5.55%</b>	5.70%	5.60%
Inflation assumption	<b>3.55%</b>	3.45%	3.00%

The expected long-term rate of return and fair value of the scheme's assets, which are not intended to be realised in the short-term and may be subject to significant change before they are realised, and the present value of the scheme's liabilities, which are derived from cash flow projections over long periods and thus are inherently uncertain, are set out in the table below.

	<b>2010</b>		<b>2009</b>		<b>2008</b>	
	<b>Expected long-term rate of return at 31 December</b>	<b>Market value at 31 December</b>	<b>Expected long-term rate of return at 31 December</b>	<b>Market value at 31 December</b>	<b>Expected long-term rate of return at 31 December</b>	<b>Market value at 31 December</b>
	<b>%</b>	<b>£'000</b>	<b>%</b>	<b>£'000</b>	<b>%</b>	<b>£'000</b>
Present value of scheme assets	<b>4.1</b>	<b>104,084</b>	4.1	86,725	4.9	85,658
Present value of scheme liabilities		<b>(100,958)</b>		<b>(93,002)</b>		<b>(81,413)</b>
Surplus / (deficit) in scheme		<b>3,126</b>		<b>(6,277)</b>		<b>4,245</b>

The related deferred tax asset of £0.9m (2009 liability £1.8m) on the pension scheme surplus has not been recognised on the scheme because there are uncertainties over the future utilisation of the pension contributions



**JUNGHEINRICH UK LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR**  
**ENDED 31 DECEMBER 2010 (CONTINUED)**

**17 PENSION AND SIMILAR OBLIGATIONS (continued)**

**Mortality assumptions**

Investigations have been carried out within the past three years into the mortality experience of the Group's defined benefit schemes. These investigations concluded that the current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement at age 65 are

	2010 years	2009 years
Retiring today		
Males	22.7	22.0
Females	25.4	24.8
Retiring in 20 years		
Males	24.8	23.1
Females	27.4	25.9

**Analysis of the amount charged to operating profit**

	2010 £'000	2009 £'000
Net company service cost	1,635	1,570
Total operating charge	<u>1,635</u>	<u>1,570</u>

**Analysis of the amount credited to other finance income**

	2010 £'000	2009 £'000
Expected return on scheme assets	3,603	4,240
Interest on scheme liabilities	(5,261)	(4,504)
Net return	<u>(1,658)</u>	<u>(264)</u>

**Amounts included within the statement of total recognised gains and losses**

	2010 £'000	2009 £'000
Actual less expected return on assets	3,021	(3,943)
Experience losses	2,322	(19)
Change in assumptions	(4,819)	(6,726)
Actuarial gain/(loss) recognised in STRGL	<u>524</u>	<u>(10,688)</u>

**JUNGHEINRICH UK LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR**  
**ENDED 31 DECEMBER 2010 (CONTINUED)**

**17 PENSION AND SIMILAR OBLIGATIONS (continued)**

**Movement in deficit during the year**

	<b>2010</b>	<b>2009</b>
	<b>£'000</b>	<b>£'000</b>
(Deficit)/surplus at beginning of the year	(6,277)	4,245
<b>Movement in year .</b>		
Current service cost	(1,635)	(1,570)
Contributions	12,172	2,000
Other finance income	(1,658)	(264)
Actuarial gain/(loss)	524	(10,688)
Surplus/(deficit) at end of the year	<b>3,126</b>	<b>(6,277)</b>

**Statement of experience gains and losses**

	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
	<b>£'000</b>	<b>£'000</b>	<b>£ 000</b>	<b>£ 000</b>	<b>£ 000</b>
Actual less expected return on assets	3,021	(3 943)	(1 027)	(1 171)	664
Percentage of assets	3%	-5%	-1%	-2%	1%
Experience gains and losses on liabilities	2,322	(19)	(157)	35	(265)
Percentage of liabilities	2%	0%	0%	0%	0%
Total amount recognised in STRGL	524	(10,688)	13,309	(3 064)	(8 442)
Percentage of liabilities	1%	-11%	16%	-3%	-10%

**18 SHARE CAPITAL**

	<b>2010</b>	<b>2009</b>
	<b>£'000</b>	<b>£'000</b>
<b>Authorised, allotted, called up and fully paid</b>		
55,372,000 ordinary shares of £1 each	<b>55,372</b>	<b>55,372</b>
8,600,000 redeemable preference shares of £1 each	<b>8,600</b>	<b>8,600</b>
	<b>63,972</b>	<b>63,972</b>

The redeemable preference shares rank *pari passu* in all respects with the ordinary shares

At the option of the company, the company has the power to redeem the shares at any time upon giving the shareholders not less than three months' notice in writing. Such redemption would be at par together with any dividend which may have accrued on it up to and including the redemption date.

**JUNGHEINRICH UK LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR**  
**ENDED 31 DECEMBER 2010 (CONTINUED)**

**19 RESERVES**

	<b>Profit and Loss Account</b>
	<b>2010</b>
	<b>£'000</b>
At 1 January 2010	(58,494)
Profit for the year	2,950
Actuarial gain on pension scheme	524
	<hr/>
At 31 December 2010	(55,020)
Net pension asset	(3,126)
	<hr/>
Profit and Loss account excluding pension asset	<u>(58,146)</u>

**20 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	<b>2010</b>	<b>2009</b>
	<b>£'000</b>	<b>£'000</b>
Profit for the financial year	2,950	4,034
Actuarial gain/(loss) on pension scheme	524	(10,688)
	<hr/>	<hr/>
Net movement in shareholders' funds	3,474	(6,654)
Opening shareholders' funds	10,718	17,372
	<hr/>	<hr/>
Closing shareholders' funds	<u>14,192</u>	<u>10,718</u>

**JUNGHEINRICH UK LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR**  
**ENDED 31 DECEMBER 2010 (CONTINUED)**

**21 FINANCIAL COMMITMENTS**

The company leases certain land and buildings on short and long-term operating leases, and has the following annual non-cancellable commitment

	2010		2009	
	Land and Buildings	Other	Land and Buildings	Other
	£'000	£'000	£'000	£'000
Expiring within one year	-	303	-	592
Expiring between two and five years inclusive	177	1,547	438	1,877
Expiring in over five years	357	-	22	-
	<u>534</u>	<u>1,850</u>	<u>460</u>	<u>2,469</u>

**22 ULTIMATE PARENT COMPANY AND ULTIMATE CONTROLLING PARTY**

The largest and smallest group of which Jungheinrich UK Limited is a member for which group financial statements are drawn up is that headed by Jungheinrich AG, which is controlled by the Jungheinrich family and is a company incorporated in Germany. The consolidated financial statements of this group are available to the public and may be obtained from Am Stadtrand, 22407 Hamburg, Germany.

The company's immediate parent company is Jungheinrich UK Holdings Limited, a company registered in England.

In preparing these financial statements, the company has taken advantage of the provisions of Financial Reporting Standard Number 8 and has not disclosed transactions with the ultimate parent company, Jungheinrich AG or other group undertakings. However, most purchases of stocks and fixed asset trucks are made from group companies.

**23 COMMITMENTS AND GUARANTEES**

During the year, the company has issued a guarantee against the business of Jungheinrich Lift Truck Finance Limited, a fellow subsidiary undertaking of Jungheinrich UK Holdings Limited.