JUNGHEINRICH LIFT TRUCK FINANCE LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

Company Number: 05836807

JUNGHEINRICH LIFT TRUCK FINANCE LIMITED

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DIRECTORS AND ADVISERS

Directors
A Rosenkranz
C Hanke

Registered office
Sherbourne House
Sherbourne Drive
Tilbrook
Milton Keynes
Buckinghamshire
MK7 8HX

Independent auditors
PricewaterhouseCoopers LLP
Central Business Exchange
Midsummer Boulevard
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MK9 2DF

Banker
Barclays Bank PLC
Flex Office The Pinnacle
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United Kingdom

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their strategic report for the year ended 31 December 2021.

Principal activities

The principal activity of Jungheinrich Lift Truck Limited (the "company") is the obtaining of finance for materials handling equipment through its banking partners. The company obtains finance for the equipment, which is purchased from Jungheinrich UK Limited and subsequently leased out to customers through the sister company, Jungheinrich Financial Services Limited.

Review of business

The performance of the company is intrinsically linked to the performance of fellow group company Jungheinrich UK Limited, which is responsible for the origination of sales in the UK.

The market for new materials handling equipment in the UK has grown strongly compared to the previous year, on the back of an economic recovery from the COVID-19-induced recession during 2020. As a result, the company has experienced a year-on-year increase in additions to the company's lease portfolio. However, pressures on supply chains and resulting prolongation on lead times has also delayed further growth from deliveries of equipment sold by fellow group subsidiary Jungheinrich UK Limited.

The company's business model is set up to ensure marginal financing costs are covered by the income earned through onward leasing of equipment over the term of ownership, and the company has continued to achieve this during the year.

The activities of the company remain a critical component of the group in the UK, which has maintained its position as a key player in what continues to be a highly competitive UK market.

Key performance indicators

Revenue for the year totalled to £68,745k (2020: £65,398k). The company made a profit before tax for the year of £1,401k (2020: £549k). The company's financial position remains strong with net assets of £10,455k (2020: £6,342k).

The net present value of new contracts for the year was £52,141k (2020: £42,789k).

Principal risks and uncertainties

The company is exposed to a number of commercial, operational, legal and financial risks as a result of its business activities.

The Directors place a strong emphasis on the early identification and proactive management of risks and opportunities as part of the company's corporate governance framework.

Further information on the key financial risks faced by the company and how they are managed is included in the Directors' report.

Future developments

The market in the UK continues to show signs of recovery in 2022, albeit at reduced rates of growth. High inflation and rising interest rates present the company with a comparably high level of uncertainty over economic development in the market, as a squeeze on household finances may impact consumer spend and adversely affect the company's customers' businesses and demand for material handling equipment in the medium and longer term, while rising interest rates directly impact on the company's refinance rates.

The company's Board of Directors and its Shareholders sanctioned a transition of the company's activities into its sister company Jungheinrich Financial Services Limited for 2022, where the business of the company will be continued.

Post balance sheet events

It is noted that events in Ukraine currently have a minimal impact on the business.

Corporate Governance – Section 172(1) Statement

The Board of Directors is committed to high standards of corporate governance and stewardship. Each director continues to be mindful of his/her statutory duty to promote the success of the company for the benefit of the members as a whole, and in doing so having regard (amongst other matters) to those factors set out in section 172(1)(a) to (f) of the Companies Act 2006 as set out below.

Collectively the Board of Directors recognises how having regard to these and other relevant factors and stakeholder groups in their decision-making contributes to the success of the company. Depending on the matter in question, the relevance of different stakeholder interests and other factors will inevitably vary and the Board of Directors may have to make difficult decisions based on competing priorities, which means that it may not always be possible to provide a favorable outcome for all stakeholders.

On appointment to the Board of Directors, the directors are provided with an induction programme. This includes a briefing on the directors' statutory duties and directors are also provided with various opportunities to meet key stakeholders.

Ahead of all Board meetings, the directors are supplied with information which highlight relevant stakeholder considerations and other factors considered relevant to the matter under consideration. Members of the Board of Directors, and other key employees, attend and make presentations as appropriate at meetings, including in relation to the outcome of stakeholder engagement.

A programme of strategic and other reviews, together with training provided during the year, ensures that the directors continually update their skills and knowledge.

The directors of Jungheinrich Lift Truck Finance Limited consider, both individually and together, that they have acted in good faith in the way they believe would be most likely to promote the success of the company for the benefit of its members as a whole (having regard to the stakeholders and matters set out in s172(1)(a-f) of the Companies Act 2006) in the decisions taken during the year ended 31 December 2021, and in doing so have regard, among other matters to the following:

Corporate Governance – Section 172(1) Statement (continued)

Consideration	Response
The likely consequences of any decision in the long term	The directors understand the business and the evolving environment in which it operates. The strategy set by the Board of Directors is intended to strengthen the proposition presented to the market by the group in the UK, enabling the provision of additional flexibility to customers through leasing finance. The Board of Directors regularly review the company's long-term strategy, which encompasses not only the current phase of strategic development, but also future areas of growth. At every meeting the directors review the progress against strategic priorities and the changing shape of the business portfolio. The directors also receive regular updates and reports on progress of the wider Jungheinrich Group strategy, including the development of next strategic phases. In 2021 items on the Board of Directors' agenda have regularly been linked to the relevant aspect of strategy and the proposed timeframe for delivery of the expected action. Input is also regularly taken from specialists within the business and external advisers about what issues might frame the commercial environment in which the company will operate in future. The resulting assessment of future development helps inform the Board of Directors' decision-making and the balance between short-term and long-term measures and actions. Ultimately, Board of Directors' decisions are taken in what it believes to be the best interest of the long-term financial success of Jungheinrich Lift Truck Finance Limited and its stakeholders.

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

Corporate Governance – Section 172(1) Statement (continued)

Consideration	Response
The interests of the company's employees	The company's operations are carried out by members of the workforce of fellow group subsidiary, Jungheinrich UK Limited. The company benefits from the health and wellbeing strategy adopted by Jungheinrich UK Limited through which benefits and provisions made available in support of employees are kept under regular review.
The need to foster the company's business relationships with suppliers, customers, and others	The company's supply chain comprises fellow group subsidiary Jungheinrich UK Limited, with whom the company naturally maintains very close ties, and also a number of banking partners on which the company relies on for the provision of asset backed finance. Company representatives meet regularly with counterparts from key business partners to ensure the continuation and development of mutually beneficial business relationships into the future.
The impact of the company's operations on the community and the environment	Due to the principal activity of the company and the structure through which it operates, there is minimal resulting direct impact on the community and environment. The directors monitor closely the operations of group subsidiaries on which Jungheinrich Lift Truck Finance Limited depend to ensure shared values are borne through.

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

Corporate Governance – Section 172(1) Statement (continued)

Consideration	Response
The desirability of the company maintaining a reputation for high standards of business conduct.	The company's policies on a wide range of business and ethics related practices are regularly reviewed and updated as necessary so as to ensure continued compliance with legal and regulatory requirements and good industry practice, including its Code of Conduct, Modern Slavery Statements, and Tax Strategy, to ensure that high standards are maintained both within the company and the business relationships it maintains. This, complemented by the ways the Board of Directors is informed and monitors compliance with relevant governance standards help assure its decisions are taken and that the company acts in ways that promote high standards of business conduct. The reporting of any concerns raised through the group's 'Open-Line' service also provides the Board of Directors with a further insight into business conduct issues affecting the business.
The need to act fairly as between members of the company	After weighing up all relevant factors, the directors consider which course of action best enables delivery of its strategy through the long-term, taking into consideration the impact on stakeholders.

The Board of Directors are committed to keeping engagement methods under review to ensure they remain effective and ensure that stakeholder interests are appropriately considered over the course of decision-making.

The Strategic Report was approved by the board of directors and signed on its behalf by:

A Rosenkranz
Director
26/9/2022

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their annual report and the audited financial statements for the year ended 31 December 2021.

Results and dividends

The company's profit for the financial year was £4,113k (2020: £704k). After the year end, the directors have declared and paid a dividend of £1,000k payable to the shareholders in the company (2020: £nil).

Future developments

Future developments are included within the Strategic report.

Independent auditors

PricewaterhouseCoopers LLP have expressed their willingness to continue in office as auditors. PricewaterhouseCoopers LLP are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Financial risk management objectives and policies

The company's activities expose it to a number of financial risks including cash flow risk, credit risk and liquidity risk. Further details on these risks and the company's approach to risk management are included below.

Cash flow risk

The principal risk for the company affecting cash flows is credit risk, discussed below. Interest bearing assets and liabilities are held at fixed rate to ensure certainty of cash flows.

Credit risk

The company's principal financial assets are bank balances and receivables from other group companies.

The company's credit risk is primarily attributable to its receivables from other group companies. The amounts presented in the balance sheet are net of loss allowances for expected credit losses.

The company's receivables from other group companies are predominantly due from Jungheinrich Financial Services Limited and the associated credit risk is inherently linked to the credit risk within that company. Jungheinrich Financial Services Limited has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the company uses a mixture of long-term and short-term debt finance.

Further details regarding liquidity risk can be found in the principal accounting policies in the notes to the financial statements.

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

Ethical code of conduct and Anti-Bribery Act

The directors operate an ethical code of conduct and an anti-bribery policy that all employees, suppliers and customers are expected to abide by and respect in all matters of business.

Labour

The company is committed to ensuring it conducts its business in an ethical and transparent manner. Through a number of internal policies and controls, the company has sought to ensure that its supply chain is free from unethical practices including slavery and human trafficking, and has continued to adhere to the principals and requirements of the Modern Slavery Act 2015 throughout the year.

As per section 54 of the Modern Slavery Act 2015, the company's Modern Slavery Statement is reviewed and approved by the board of directors on an annual basis and published on its website. In April 2022 the directors approved the company's Modern Slavery Statement for the 2021 financial year, which details the company's commitment, policies, processes and actions taken to ensure that slavery and human trafficking are not taking place in its supply chains or any part of its business. More information on the company's statement can be found on its website.

Directors' qualifying third party indemnity provision

The company has granted an indemnity to one or more of its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision was in force during the financial year and remains in force as at the date of approving the Directors' report.

Directors

The directors of the company, including any changes during the year and up to the date of signing these financial statements are listed on page 1.

Going concern

The financial statements are prepared on a going concern basis, which the directors believe to be appropriate for the reasons outlined below.

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 AG, the ultimate parent company, has allocated group banking facilities for Jungheinrich Lift Truck Limited, which the directors believe would provide sufficient support in the absence of any other bank facilities. Additionally, Jungheinrich AG has committed to provide ongoing financial support for a minimum of 12 months from the date of approval of these financial statements, sufficient to enable the company to meet its obligations as they fall due.

The company ceased trading and its trade and assets were transferred to Jungheinrich Financial Services Limited at book value on 1st January 2022. There are no plans to liquidate the Company, so the Directors have prepared the financial statements under the going concern.

Going concern (continued)

The company maintains a healthy financial position with net assets of £10,455k as at 31 December 2021 having made a profit after tax for the year then ended of £4,113k and a cash balance of £8,208k as at 31 December 2021.

Accordingly, the directors are confident that the company will have sufficient funds to continue in operational existence and to meet its liabilities as they fall due for at least 12 months from the date of approval of these financial statements and they continue to adopt the going concern basis of accounting in preparing these financial statements.

Streamlined energy and carbon reporting

Jungheinrich Lift Truck Finance Limited is deemed a low energy user as it consumes less than 40MWh in the year and for this reason has not disclosed energy and carbon information.

Political contributions

No political donations were made during the year (2020: £nil).

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

Statement of directors' responsibilities in respect of the financial statements

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law, 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also 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.

Directors' confirmations

In the case of each director in office at the date the directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the Board of Directors

A Rosenkranz 26/9/2022
Director
Sherbourne House
Sherbourne Drive
Tilbrook
Milton Keynes
Buckinghamshire
MK7 8HX

pwc

Independent auditors' report to the members of Jungheinrich Lift Truck Finance Limited

Report on the audit of the financial statements

Opinion

In our opinion, Jungheinrich Lift Truck Finance Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 December 2021; the Profit and Loss Account and the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' 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 remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Independent auditors' report to the members of Jungheinrich Lift Truck Finance Limited (continued)

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, 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 audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 December 2021 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

Auditors' 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 auditors' 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

Independent auditors' report to the members of Jungheinrich Lift Truck Finance Limited (continued)

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.

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.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to taxation legislation and the Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to to the posting of inappropriate journal entries and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Detailed discussions with management and walkthrough procedures to understand and evaluate the controls designed to prevent and detect irregularities and fraud;
- Reviewing minutes of meetings of those charged with governance;
- Reviewed legal expenses to identify any inconsistencies with other information provided by management;
- Assessing significant judgements and estimates and the disclosures included on these balances within the financial statements;
- Incorporating elements of unpredictability; and
- Identifying and testing journal entries, in particular journal entries posted with unusual account combinations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, 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 or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Independent auditors' report to the members of Jungheinrich Lift Truck Finance Limited (continued)

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- 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
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Mark Foster (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Milton Keynes
27 September 2022

JUNGHEINRICH LIFT TRUCK FINANCE LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	**2021** **£'000**	2020 £'000
Revenue	3	**68,745**	65,398
Cost of sales	4	**(67,683)**	(64,693)
Gross profit		**1,062**	705
Other operating expenses		**(99)**	(82)
Operating profit	7	**963**	623
Interest receivable and similar income	5	**463**	5
Interest payable and similar expenses	6	**(25)**	(79)
Profit before taxation		**1,401**	549
Tax credit on profit	9	**2,712**	155
Profit for the financial year		**4,113**	704

There are no other items of comprehensive income or expense other than the profit for the financial year. Accordingly, no separate Statement of other comprehensive income has been presented.

All results shown above are derived from continuing operations.

The notes on pages 19 to 34 form a part of these financial statements.

JUNGHEINRICH LIFT TRUCK FINANCE LIMITED
BALANCE SHEET AS AT 31 DECEMBER 2021

	Note	2021 £'000	2020 £'000
Fixed assets			
Tangible assets	10	**39,410**	39,392
Current assets			
Deferred tax asset	11	**8,576**	5,487
Stocks	12	**1,650**	4,071
Debtors: amounts falling due within one year	13	**35,543**	34,668
Debtors: amount falling due after more than one year	14	**85,798**	85,439
Cash and cash equivalents		**8,208**	6,324
Total current assets		**139,775**	135,989
Creditors: amounts falling due within one year	16	**(60,528)**	(59,255)
Net current assets		**79,247**	76,734
Total assets less current liabilities		**118,657**	116,126
Creditors: amounts falling due after more than one year	17	**(108,202)**	(109,784)
Net assets		**10,455**	6,342
Capital and reserves			
Called up share capital	19	**700**	700
Profit and loss account		**9,755**	5,642
Total shareholders' funds		**10,455**	6,342

Company registration number: 05836807

The notes on pages 19 to 34 form a part of these financial statements.

The financial statements on pages 16 to 34 were approved by the board of directors on 26/9/ 2022 and signed on its behalf by:

A Rosenkranz
Director

JUNGHEINRICH LIFT TRUCK FINANCE LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2021

	Called up share capital £'000	Profit and loss account £'000	Total £'000
Balance at 1 January 2020	700	4,938	5,638
Profit for the year and total comprehensive income	-	704	704
Balance at 31 December 2020	700	5,642	6,342
Balance at 1 January 2021	700	5,642	6,342
Profit for the year and total comprehensive income	-	4,113	4,113
Balance at 31 December 2021	**700**	**9,755**	**10,455**

The notes on pages 19 to 34 form a part of these financial statements.

JUNGHEINRICH LIFT TRUCK FINANCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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 in the current and prior year, is set out below.

1.1 General information

Jungheinrich Lift Truck Finance Limited is a private company limited by shares and incorporated, domiciled and registered in England, United Kingdom. The registered number of the company is 05836807 and the address of the registered office is Sherbourne House, Sherbourne Drive, Tilbrook, Milton Keynes, Buckinghamshire, MK7 8HX. The nature of the Company's operations and its principal activities are set out in the strategic report on page 2.

The financial statements are presented in pounds sterling, which is the currency of the primary economic environment in which the Company operates (its functional currency).

The company meets the definition of a qualifying entity under Financial Reporting Standard 100 (FRS 100) issued by the Financial Reporting Council. Accordingly, the company has prepared these financial statements in accordance with The Companies Act 2006 as applicable to companies reporting under FRS 101 as issued by the Financial Reporting Council and has, in doing so, applied the requirements of IFRS 1.6-33 and related appendices.

The company has taken advantage of the following disclosure exemptions under FRS 101:

- The requirement of IFRS 7 Financial Instruments: Disclosures;
- The requirements of paragraph 91-99 of IFRS 13 Fair Value Measurement;
- The requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of: Paragraph 79(a) (iv) of IAS 1 Presentation of Financial Statements; and Paragraph 73(e) of IAS 16 Property, Plant and Equipment; and Paragraph 118(e) of IAS 38 Intangible Assets;
- The requirement of paragraphs 10(d), 10(f), 16, 38A, 38Bm 38c, 38D, 40A-D1 111 and 134-136 of IAS 1 Presentation of Financial Statements;
- The requirement of IAS 7 Statement of Cash Flows;
- The requirement of paragraph 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- The requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures;
- The requirements in IAS 24 Related Party Disclosures to disclose relates party transactions entered into between two more members of a group;

The preparation of Financial Statements in conformity with FRS 101 did not require the use of any critical accounting estimates or any significant areas of judgement.

1.2 Changes in accounting policy

There have been no changes in applicable accounting standards which have a material impact on these financial statements.

1 PRINCIPAL ACCOUNTING POLICIES (continued)

1.3 Basis of accounting

The financial statements have been prepared on the historical cost basis, except for the revaluation of certain financial instruments that are measured at fair value at the end of each reporting period, as explained in the accounting policy for financial instruments below. Historical cost is generally based on the fair value of the consideration given in exchange for the goods and services. At the date of preparation, there are no new standards, interpretations and amendments that are not yet effective and that would be expected to have a material impact on the company in the current or future reporting periods and on foreseeable future transactions.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2, leasing transactions that are within the scope of IFRS 16, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 or value in use in IAS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies adopted are set out below.

1.4 Going concern

The financial statements are prepared on a going concern basis, which the directors believe to be appropriate for the reasons outlined below.

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 AG, the ultimate parent company, has allocated group banking facilities for Jungheinrich Lift Truck Limited, which the directors believe would provide sufficient support in the absence of any other bank facilities. Additionally, Jungheinrich AG has committed to provide ongoing financial support for a minimum of 12 months from the date of approval of these financial statements, sufficient to enable the company to meet its obligations as they fall due.

1 PRINCIPAL ACCOUNTING POLICIES (continued)

1.4 Going concern (continued)

The company ceased trading and its trade and assets were transferred to Jungheinrich Financial Services Limited at book value on 1st January 2022. There are no plans to liquidate the Company, so the Directors have prepared the financial statements under the going concern.

The company maintains a healthy financial position with net assets of £10,455k as at 31 December 2021 having made a profit after tax for the year then ended of £4,113k and a cash balance of £8,208k as at 31 December 2021.

Accordingly, the directors are confident that the company will have sufficient funds to continue in operational existence and to meet its liabilities as they fall due for at least 12 months from the date of approval of these financial statements and they continue to adopt the going concern basis of accounting in preparing these financial statements.

1.5 Revenue

Revenue represents the value of customer contracts under finance leases and rentals receivable from customers under operating leases, after deducting returns, allowances and sales taxes, along with corresponding interest earned in the year in the case of finance leases. Where payments are received from customers in advance of goods and services provided, the amounts are recorded as deferred income. Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

Revenue from the rendering of services represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the value of the consideration due.

1.6 Tangible assets

Equipment leased out under operating lease contracts is held on the balance sheet as fixed assets. The cost of tangible fixed assets is their purchase cost, together with any incidental costs of acquisition.

Tangible assets are written down to their residual value on a straight line basis over the life of the relating contract which are typically between 5 and 7 years.

1 PRINCIPAL ACCOUNTING POLICIES (continued)

1.7 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the company intends to settle its current tax assets and liabilities on a net basis.

Current tax and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

1 PRINCIPAL ACCOUNTING POLICIES (continued)

1.8 Financial instruments

(a) Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(b) Classification of financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

1 PRINCIPAL ACCOUNTING POLICIES (continued)

1.8 Financial instruments (continued)

(b) Classification of financial assets (continued)

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

Financial assets at amortised cost - These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Debt investments at FVOCI - these assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI - these assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

(c) Financial liabilities and equity

Financial instruments issued by the company are treated as equity only to the extent that they meet the following two conditions:

- they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company; and
- where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

1 PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

1.8 Financial instruments (continued)

(c) Financial liabilities and equity (continued)

Intra-group financial instruments

Where the company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the company considers these to be insurance arrangements and accounts for them as such. In this respect, the company treats the guarantee contract as a contingent liability until such time as it becomes probable that the company will be required to make a payment under the guarantee.

(d) Impairment

The company recognises loss allowances for expected credit losses (ECLs) on financial assets measured at amortised cost, debt investments measured at FVOCI and contract assets (as defined in IFRS 15).

The company measures loss allowances at an amount equal to lifetime ECL, except for other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition which are measured as 12-month ECL.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECL. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the company's historical experience and informed credit assessment and including forward-looking information.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the company is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

1 PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

1.8 Financial instruments (continued)

(d) Impairment (continued)

Credit-impaired financial assets

At each reporting date, the company assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Write-offs

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery.

1.9 Stock

The value in stock represents the customer contract receivables under finance lease for which the contracts are due to start in the following year or the outstanding customer contract receivables at the point of termination.

1.10 Leases

The company provides lease finance to Jungheinrich Financial Services Limited and acquires equipment from Jungheinrich UK Limited. Equipment acquired is funded through sale and lease back and forfaiting finance arrangements with third party and group finance providers. Sale and lease back transactions are accounted for as a loan secured on the assets subject to the transaction. Under forfaiting, the funding received from the third party financing partner is secured against the right to the receivables due under the respective contract hire agreement.

Assets that are leased to customers under finance leases are recorded as debtors in the balance sheet at inception of the lease and turnover is recognised accordingly for the capital value of the lease while the interest elements are recognised in the profit and loss account over the period of the lease.

Rentals receivable under operating leases are recognised on a straight-line basis over the lease term. Under operating leases, the assets are capitalised in the balance sheet and depreciated on a straight line basis down to their residual value over the life of the relating contract.

At the inception of a contract, the company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

1 PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

1.10 Leases (continued)

As a lessor

At inception or on modification of a contract that contains a lease component and one or more additional lease or non-lease components, the company allocates the consideration in the contract applying IFRS 15.

When the company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset.

The company applies the derecognition and impairment requirements in IFRS 9 to the net investment in the lease. The company further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

The company recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of revenue.

1.11 Related parties

Jungheinrich Financial Services Limited enters into financial service contracts with Jungheinrich UK Limited's customers. The company acquires materials handling equipment from Jungheinrich UK Limited and lease it on to fellow group subsidiary Jungheinrich Financial Services Limited, who subsequently lease the equipment to external customers. Jungheinrich Lift Truck Finance Limited remains the owner of the object of the contract with the right to transfer ownership to third parties.

2 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the company's accounting policies, which are described in note 1, the directors are sometimes required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

2 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

The classification of leases as either finance leases or operating leases represents a critical accounting judgement on the basis that this classification drives recognition of revenue.

3 REVENUE

The company's revenue is analysed as follows:

	2021	2020
	£'000	£'000
Revenue from sale of goods	**46,292**	43,034
Operating lease rentals receivable	**15,701**	14,878
Rendering of services	**2,954**	3,263
Interest income from finance leases	**3,798**	4,223
Total revenue	**68,745**	65,398

All revenue is derived from Jungheinrich Financial Services Limited and Jungheinrich UK Limited.

4 COST OF SALES

	2021	2020
	£'000	£'000
Cost of goods and services	**52,204**	48,328
Interest payable to third parties	**3,008**	3,487
Interest payable to other group companies	**1,733**	1,844
Depreciation of tangible fixed assets	**10,738**	11,034
	67,683	64,693

5 INTEREST RECEIVABLE AND SIMILAR INCOME

	2021	2020
	£'000	£'000
Interest receivable from other group companies	**463**	5
	463	5

6 INTEREST PAYABLE AND SIMILAR EXPENSES

	2021 £'000	2020 £'000
Interest payable to other group companies	**25**	79
	25	79

7 OPERATING PROFIT

Operating profit is stated after charging:	2021 £'000	2020 £'000
Depreciation of tangible fixed assets	**10,738**	11,034
Cost of stock recognised as an expense	**46,022**	42,425
Auditors' remuneration – Audit fees payable to the company's auditors for the audit of the annual financial statements	**13**	13

No non audit fees were charged to the company for the year ending 31st December 2021 (2020: £nil)

8 STAFF COSTS

The company's activities are carried out by employees of fellow group subsidiary Jungheinrich UK Limited, which charges a management fee for these services. As such, the company has no employees or payroll costs in either the current or preceding year. The directors received no remuneration relating to the company in either the current or preceding year and their time attributable to this company is considered negligible.

9 TAX ON PROFIT

	2021 £'000	2020 £'000
UK corporation tax		
Current tax on income for the year	**522**	702
Adjustment in respect of prior years	**(145)**	(410)
Total current tax	**377**	292
Deferred tax		
Origination and reversal of temporary differences	**(257)**	(598)
Adjustment in respect of prior years	**(774)**	666
Effect of changes in tax rates	**(2,058)**	(515)
Total deferred tax	**(3,089)**	(447)
Total tax (credit)/charge on profit for the year	**(2,712)**	(155)

9 TAX ON PROFIT (continued)

Reconciliation of tax charge:	2021 £'000	2020 £'000
Profit before tax	**1,401**	549
Current tax at 19% (2020:19%)	**266**	104
Effects of :		
Changes in tax rates	**(2,058)**	(514)
Expenses not deductible	**-**	(1)
Adjustment in respect of prior years	**(920)**	256
Total tax (credit) / charge on profit for the year	**(2,712)**	(155)

The Finance (No.2) Act 2015 reduced the main rate of UK corporation tax to 19%, effective from 1 April 2017. A further reduction in the UK corporation tax rate to 17% was expected to come into effect from 1 April 2020 (as enacted by Finance Act 2016 on 15 September 2016). However, legislation introduced in the Finance Act 2020 (enacted on 22 July 2020) repealed the reduction of the corporation tax rate, thereby maintaining the current rate of 19%.

The UK Budget 2021 announcements on 3 March 2021 included measures to support economic recovery as a result of the ongoing COVID-19 pandemic. These included an increase to the UK's main corporation tax rate to 25%, which is due to be effective from 1 April 2023. Deferred taxes on the balance sheet have been measured at 25% (2020: 19%) which represents the future corporation tax rate that was enacted at the balance sheet date.

10 TANGIBLE ASSETS

	Assets on operating lease 2021 £'000	Assets on operating lease 2020 £'000
Cost		
At 1 January	71,866	73,259
Additions	13,721	11,218
Disposals	(12,469)	(12,611)
At 31 December	**73,118**	**71,866**
Accumulated depreciation		
At 1 January	32,474	29,422
Charge in the year	10,738	11,034
Disposals	(9,504)	(7,982)
At 31 December	**33,708**	**32,474**
Net Book Value		
At 1 January	39,392	43,837
At 31 December	**39,410**	**39,392**

10 TANGIBLE ASSETS (continued)

As described in note 1, where assets owned by the company are leased under contracts classified as operating leases, the assets remain on the balance sheet of the company and are depreciated on a straight line basis down to their residual value over the life of the relating contract.

11 DEFERRED TAX ASSET

The deferred tax asset of £8,576k (2020: £5,487k) relates solely to fixed asset timing differences available for offset against future profits. All deferred tax assets as at 31 December 2021 are considered recoverable and have therefore been recognised on the balance sheet at that date.

	2021 £'000	2020 £'000
Net deferred tax asset at 1 January	**5,487**	5,040
Credit to profit and loss account for the year	**3,089**	447
Net deferred tax asset at 31 December	**8,576**	5,487

In the autumn mini-Budget 2022, the Government announced that from 1 April 2023 the planned corporation tax rate increase to 25% from 19% will be cancelled. As the proposal to cancel the rate had not been substantively enacted at the balance sheet date, its effects are not included in these financial statements. Deferred tax has been measured at 25% being the enacted rate that prevailed at the balance sheet date. However, it is likely that the overall effect of the change, had it been substantively enacted by the balance sheet date, would be to decrease the deferred tax asset by £2,058k.

12 STOCKS

	2021 £'000	2020 £'000
Finished goods	**1,650**	4,071

There is no material difference between book value and replacement cost.

13 DEBTORS: amounts falling due within one year

	2021 £'000	2020 £'000
Amounts receivable under finance leases with other group companies	**34,976**	33,996
Amounts receivable from other group companies	**567**	497
Corporation tax receivable	**-**	175
	35,543	34,668

14 DEBTORS: amounts falling due after more than one year

	2021	2020
Amounts receivable under finance leases with other group companies:	**£'000**	£'000
Amounts falling due between two and five years	**80,472**	81,062
Amounts falling due in more than five years	**5,326**	4,377
	85,798	85,439

15 LEASES

2021	**Minimum lease payments receivable**	**Present value of minimum lease payments**
Future minimum payments receivable under finance leases at 31 December 2021 are as follows:	**£'000**	**£'000**
Within one year	38,142	34,976
Between two and five years	84,812	80,472
After five years	5,437	5,326
Gross investment in finance leases	**128,391**	**120,774**
Discounting of future minimum lease payments receivable	(7,617)	
Present value of future minimum lease payments receivable	**120,774**	

2020	Minimum lease payments receivable	Present value of minimum lease payments
Future minimum payments receivable under finance leases at 31 December 2020 are as follows:	£'000	£'000
Within one year	37,283	33,996
Between two and five years	85,595	81,062
After five years	4,436	4,377
Gross investment in finance leases	127,314	119,435
Discounting of future minimum lease payments receivable	(7,879)	
Present value of future minimum lease payments receivable	119,435	

Unearned future finance income from finance leases totalled £7,617k (2020: £7,879k) at the balance sheet date.

16 CREDITORS: amounts falling due within one year

	2021	2020
	£'000	£'000
Borrowings due to banks	**26,596**	26,219
Payables due to other group companies	**9,264**	8,923
Borrowings due to other group companies	**24,377**	24,064
Other creditors and accruals	**35**	49
Corporation tax payable	**256**	-
	60,528	59,255

17 CREDITORS: amounts falling due after more than one year

	2021	2020
	£'000	£'000
Borrowings due to banks	**67,606**	68,776
Borrowings due to other group undertakings	**40,596**	41,008
	108,202	109,784

18 LOANS AND OTHER BORROWINGS

	2021	2020
	£'000	£'000
Borrowings due to banks	**94,202**	94,995
Borrowings due to other group undertakings	**64,973**	65,072
	159,175	160,067

Liabilities in respect of bank borrowings

	2021	2020
	£'000	£'000
Within one year	**26,596**	26,219
Between two and five years	**62,606**	64,828
After five years	**5,000**	3,948
	94,202	94,995

	2021	2020
Borrowings due to other group undertakings	**£'000**	£'000
Within one year	**24,377**	24,064
Between two and five years	**40,097**	40,295
After five years	**499**	713
	64,973	65,072

Liabilities in respect of bank borrowings and borrowings due to other group undertakings are secured against the underlying assets subject to the arrangements.

Under each contract, the interest is fixed for the period of the contract at a market rate prevailing at inception of the contract.

Borrowings are repaid on monthly basis over the period of the respective contract.

19 CALLED UP SHARE CAPITAL

	2021 £'000	2020 £'000
Allotted, called up and fully paid		
700,000 (2020: 700,000) ordinary shares of £1 each	**700**	700

This is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital. All shares rank pari passu in all respects.

20 ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

The largest and smallest group of which Jungheinrich Lift Truck Finance 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 Friedrich-Ebert-Damm 129 22047 Hamburg, Germany.

The company's immediate parent companies are Jungheinrich UK Holdings Limited, a company registered in England, United Kingdom, which owns 90%, and Jungheinrich Rental International AG & Co. KG, a company registered in Germany, owning the remaining 10%.

In preparing these financial statements, the company has taken advantage of the provisions of FRS 101 and has not disclosed transactions and balances with Jungheinrich AG and its wholly owned subsidiary undertakings.

21 POST BALANCE SHEET EVENTS

It is noted that events in Ukraine currently have a minimal impact on the business.