

Company Number: 80026

**Bomford Turner Limited**  
(formerly Alamo Manufacturing Services (UK) Limited)

**Annual Report and Financial Statements**

**For the year ended**

**31 December 2020**



# **Bomford Turner Limited (formerly Alamo Manufacturing Services (UK) Limited)**

Registered No: 80026

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**Bomford Turner Limited (formerly Alamo Manufacturing Services (UK) Limited)**

Registered No: 80026

**Directors**

E T Madden  
C J L Davies  
R H Raborn

**Secretary**

E T Madden

**Auditor**

KPMG LLP  
One Snowhill  
Snow Hill Queensway  
Birmingham  
B4 6GH

**Registered office**

Station Road  
Salford Priors  
Evesham  
Worcestershire  
WR11 8SW

## Bomford Turner Limited (formerly Alamo Manufacturing Services (UK) Limited)

### Strategic Report

The directors present their report and financial statements for the year ended 31 December 2020.

#### Results and dividends

The profit for the year after taxation, amounted to £4,387,000 (2019: Loss £40,000)). The directors have proposed and paid a final ordinary dividend in respect of the current financial year of £2,000,000 (2019: £4,500,000). This has not been included within creditors as it was not approved before the year end.

#### Change of name

The company changed its name by special resolution on 14th December 2020 from Alamo Manufacturing Services (UK) Limited to Bomford Turner Limited.

#### Principal activities and review of the business

During the year ended 31 December 2020, up until 1 January 2021 the company's principal activity was the manufacture of agricultural and industrial machinery. However, on 14 December 2020, the directors took the decision to transfer the trade and assets from Bomford Turner (1954) Limited (formerly Bomford Turner Limited) to the Company. Subsequent to this the principal activity of the company will be the design, manufacture and marketing of agricultural and industrial machinery.

The company is committed to continuing the development of new products within the vegetation cutting and control sector.

The company's key performance indicators during the year were as follows:

	2020 £000	2019 £000	Change %
Turnover	17,725	22,216	-20%
Gross profit	1,253	2,084	-40%
Operating (loss) / profit after tax	(265)	68	-490%
Profit / (loss) after tax	4,387	(40)	-11068%
Shareholders' funds	16,458	16,571	-1%
Current assets as % of current liabilities	488%	520%	-6%
Average number of employees	144	175	-18%

Turnover decreased, due to a decrease in demand from Alamo Group Inc. group companies due to COVID-19 effects on the economy. Bomford Turner Limited (formerly Alamo Manufacturing Services (UK) Limited) currently only supplies goods to Alamo group Inc. group companies.

Operating Loss increase is attributable to decreased turnover for the year and the closure of the facility for approximately one month due to Covid restrictions.

#### Brexit Consideration

The company has carefully considered its position in respect to Brexit and has concluded that, although a high proportion of the the company's revenue is generated within the UK many of its customers are reliant upon trade within the EU and any disruption to this trade is likely to exert further cost pressures on their business and consequently on this business as well.

Initial "teething" problems in January for some suppliers caused issues in our logistics operations due to variability and inconsistency in production schedules. However, these issues have settled down in February with a return to more stable production plans.

Most of the company's purchases are sourced from within the UK but the company ensured that processes were up to date to ensure the supply lines from the EU on purchased goods did not suffer from disruption.

## **Bomford Turner Limited (formerly Alamo Manufacturing Services (UK) Limited)**

### **Strategic Report (continued)**

#### **Going concern**

The directors have concluded it is appropriate that the financial statements have been prepared on a going concern basis. Please refer to the going concern basis of preparation disclosure in note 1 for further details.

#### **Impact of COVID-19**

Since the start of January 2020, the outbreak of Coronavirus COVID-19, which is a rapidly evolving situation, has adversely impacted global commercial activities. The rapid development and fluidity of this situation precludes any prediction as to its ultimate impact, which may have a continued adverse impact on economic and market conditions and trigger a period of global economic slowdown. The Directors believe there is a financial impact to the financial statements as at 31 December 2020 as a result of COVID-19. Management are continuing to monitor developments relating to COVID-19 and is coordinating its operational response based on existing business continuity plans and on guidance from global health organisations, relevant governments, and general pandemic response best practices.

#### **Foreign currency risk**

The business buys goods and services denominated in currencies other than sterling. As a result, the value of the business' non-sterling denominated purchases, financial assets and liabilities and cash flows can be affected significantly by movements in exchange rates in general and in Euro and US dollar rates in particular.

The business' transactional currency exposure arises from purchases in currencies other than sterling, principally Euros and US dollars. It is the UK group's policy of which the company is a member, to enter into forward contracts to buy and sell Euro and US dollars against a portion of the future net excess of current Euro and US dollar book debts over Euro and US dollar book creditors.

The company does not hold any foreign exchange contracts.

#### **Credit risk**

In the normal course of business, the business sells items on deferred terms to other parties. Any risk associated with these third parties failing to honour their obligations arising from these transactions is minimised through credit insurance and rigorous credit control procedures with deferred terms only being granted to customers who demonstrate an appropriate payment history and satisfy other financial requirements. Individual exposures are continuously monitored on a customer by customer basis to ensure that exposure to bad debt is minimised. As a result of this, goods may sometimes only be supplied on a cash-with-order basis or supply declined entirely.

#### **Competitive trade risk**

The company manages competitive trading risk by providing added value services to its customers, having fast response times not only in supplying products but in handling all customer queries, and by maintaining strong relationships with customers.

#### **Liquidity Risk**

Liquidity movements are monitored carefully in order to recognise such risks on a timely basis. This is performed by a rolling cashflow forecast, which is reported to the group weekly and monthly. In the company's assessment of the situation, there are no liquidity bottlenecks identified in the planning period and therefore will be able to meet its financial obligations.

#### **Creditor payment policy and practice**

It is the company's policy that payments to suppliers are made in accordance with those terms and conditions agreed between the company and its suppliers, provided that all trading terms and conditions have been complied with.

## **Bomford Turner Limited (formerly Alamo Manufacturing Services (UK) Limited)**

### **Strategic Report (continued)**

#### **Section 172(1) statement Companies Act 2006**

Throughout 2020, the directors have complied with the requirements of Section 172 of the Companies Act 2006, in promoting the long-term success of the Company for the benefit of all stakeholders. The following disclosure describes how the directors have had regard to the matters set out in section 172(1)(a) to (f) and forms the directors' statement required under section 414CZA of The Companies Act 2006.

#### *Engagement with stakeholders*

As part of its ongoing activities of engaging with stakeholders, the directors have undertaken the following activities in 2020:

#### *Shareholders*

Our ultimate shareholder is Alamo Group Inc. ("the Group"). We create value for the Group by generating strong and sustainable results that translate into dividends. We discuss our performance in monthly management meetings with the Group's executive directors and provide executive summaries for the Group Board. The directors routinely engage with the Group on topics of strategy, governance and performance and our strategic plans include information on the impact on each of our stakeholders including the community and environment.

#### *Employees*

In line with the Group's Total Commitments, protecting the health, safety and wellbeing of everyone who comes into contact with our business is our number one priority. Furthermore, we are committed to a diverse and inclusive work environment and helping our employees gain skills that support their personal ambitions and drive the business forward.

During the year there have been business update presentations, staff intranet articles, new joiner inductions, offsite and online training modules

#### *Customers*

Turnover is attributable to group companies. Bomford Turner Limited (formerly Alamo Manufacturing Services (UK) Limited) currently only supplies goods to Alamo Group Inc. group.

#### *Suppliers*

Our suppliers and subcontractors are critical to our operations and we take a long-term collaborative approach to working with them. Our centralised procurement team develops relationships with the local supply chain and are also responsible for driving strategic alignment.

#### *Communities*

We aim to work by leaving behind a positive and lasting impression. To achieve this, we work closely with local communities to ensure both economic and social benefits are realised.

## **Bomford Turner Limited (formerly Alamo Manufacturing Services (UK) Limited)**

### **Strategic Report (continued)**

#### **Current Trading and Future Outlook**

At the beginning of 2021, the UK entered its third national lockdown, the company continued to manufacture and trade during this lockdown with minimum disruption. The company has since returned to some normality with a limited number of employees continuing to work from home.

Almost all UK manufacturers have had difficulty with the supply of components and labour in the first six months of 2021, caused by Covid-19 and to a lesser extent Brexit. These issues have slightly reduced turnover and contributed to an increase in manufacturing and logistical costs. At the time of writing the Directors consider these disruptions to be settling and expect production to return to normal levels by the end of 2021.

The trading results in the first six months of 2021 continue to show a recovery of turnover and profits in line with our budget commitments. The Directors expect profits to return to pre Covid-19 levels in the next financial year.



E T Madden  
Secretary  
28th September 2021

## **Bomford Turner Limited (formerly Alamo Manufacturing Services (UK) Limited)**

### **Directors' report**

#### **Directors**

The directors at 31 December 2020 and those who served during the year were as follows:

E T Madden  
C J L Davies  
R H Raborn

#### **Dividend**

The directors have proposed a final ordinary dividend in respect of the current financial year of £2,000,000 (2019: £4,500,000). This has not been included within creditors as it was not approved before the year end.

#### **Disabled employees**

The Company gives full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a handicapped or disabled person.

Where existing employees become disabled, it is the Company's policy wherever practicable to provide continuing employment under normal terms and conditions to provide training and career development and promotion to disabled employees wherever appropriate.

#### **Employee involvement**

The Company places considerable value on the involvement of its employees and has continued its previous practice of keeping them informed and consulting with them in matters affecting them as employees and on the various factors affecting the performance of the Company. This is achieved through informal meetings with the Company's management team, and with employees on individual matters.

#### **Donations**

No political or charitable donations were made during the year (2019: £Nil).

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

So far as each person who is a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

#### **Auditor**

Pursuant to section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board



E T Madden  
Secretary  
Station Road  
Salford Priors  
Evesham  
Worcestershire  
WR11 8SW

28th September 2021



**Bomford Turner Limited (formerly Alamo Manufacturing Services (UK) Limited)**

**Statement of directors' responsibilities in respect of the Strategic Report, Directors' report and the financial statements.**

The directors are responsible for preparing the Strategic report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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 estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 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, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

## **Independent auditor's report**

**to the members of Bomford Turner Limited (formerly Alamo Manufacturing Services (UK) Limited )**

### **Opinion**

We have audited the financial statements of Bomford Turner Limited ("the company") for the year ended 31 December 2020 which comprise the Profit and loss account and other comprehensive income, Balance sheet and Statement of changes in equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### **Going Concern**

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast doubt on the company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

### **Fraud and breaches of laws and regulations – ability to detect**

*Identifying and responding to risks of material misstatement due to fraud*

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors and inspection of policy documentation as to the company's high-level policies and procedures to prevent and detect fraud, and the company's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading board minutes.
- Considering bonus schemes and performance targets for management, directors and staff.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

## **Independent auditor's report (continued)**

**to the members of Bomford Turner Limited (formerly Alamo Manufacturing Services (UK) Limited )**

As required by auditing standards, and taking into account possible pressures to meet profit targets and our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition due to the limited opportunity to manipulate revenue recognition. The sales process is simple in nature, there are no material judgments involved.

We did not identify any additional fraud risks.

We also performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included unexpected revenue account combinations and journals posted to unexpected cash account combinations during the financial year.

### *Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations*

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation, and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the loss of Company's license to operate. We identified the following areas as those most likely to have such an effect: health and safety, anti-bribery and employment law. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

### *Context of the ability of the audit to detect fraud or breaches of law or regulation*

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

## **Independent auditor's report (continued)**

**to the members of Bomford Turner Limited (formerly Alamo Manufacturing Services (UK) Limited )**

### **Strategic report and directors' report**

The directors are responsible for the Strategic report and the Directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the Strategic report and the Directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

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

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.

### **Directors' responsibilities**

As explained more fully in their statement set out on page 9, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; 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; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities**

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

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

### **The purpose of our work and to whom we owe our responsibilities**

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.



Chris Cole (Senior Statutory Auditor)  
for and on behalf of KPMG LLP, Statutory Auditor  
Chartered Accountants  
KPMG LLP  
One Snowhill  
Snow Hill Queensway  
Birmingham  
B4 6GH  
28th September 2021

**Bomford Turner Limited (formerly Alamo Manufacturing Services (UK) Limited)**

**Profit and loss account and other comprehensive income**

for the year ended 31 December 2020

	Notes	2020 £000	2019 £000
<b>Turnover</b>	2	17,725	22,216
Cost of sales		(16,472)	(20,132)
<b>Gross profit</b>		1,253	2,084
Distribution costs		(153)	(163)
Administrative expenses		(1,365)	(1,853)
Operating (Loss) / Profit	3	(265)	68
Interest receivable and similar income	6	1	1
Interest payable	7	(31)	(39)
Other income	8	200	-
Dividends received		4,500	-
<b>Profit before taxation</b>		4,405	30
Taxation	9	(18)	(70)
<b>Profit / (Loss) for the financial year, being total comprehensive income (loss) for the year</b>		4,387	(40)

All operations are continuing operations.

The notes on pages 16 to 32 form part of these financial statements.

# Bomford Turner Limited (formerly Alamo Manufacturing Services (UK) Limited)

## Balance sheet

at 31 December 2020

	Notes	2020 £000	2019 £000
<b>Fixed assets</b>			
Tangible assets	10	6,966	7,493
Investments	11	-	-
		<u>6,966</u>	<u>7,493</u>
<b>Current assets</b>			
Stocks	12	7,061	8,454
Debtors	13	4,278	2,985
Cash at bank		798	101
		<u>12,137</u>	<u>11,540</u>
Creditors: amounts falling due within one year	14	(2,487)	(2,220)
<b>Net current assets</b>		<u>9,650</u>	<u>9,320</u>
<b>Total assets less current liabilities</b>		16,616	16,813
<b>Creditors</b> : amounts falling due after more than one year	15	(37)	(102)
<b>Provisions for liabilities</b>	17	(121)	(140)
<b>Net assets</b>		<u>16,458</u>	<u>16,571</u>
<b>Capital and reserves</b>			
Called up share capital	20	2,485	2,485
Share premium account		17	17
Profit and loss account		13,956	14,069
<b>Shareholders' funds</b>		<u>16,458</u>	<u>16,571</u>

These financial statements were approved by the board of directors on 28th September 2021 and were signed on its behalf by:



C J L Davies

Director

28th September 2021

Company Number: 80026

The notes on pages 16 to 32 form part of these financial statements.

## Bomford Turner Limited (formerly Alamo Manufacturing Services (UK) Limited)

### Statement of Changes in Equity

	<i>Called up Share Capital £000</i>	<i>Share Premium £000</i>	<i>Profit and loss account £000</i>	<i>Total equity £000</i>
Balance at 1 January 2019	2,485	17	14,109	16,611
<b>Total comprehensive loss for the year</b>				
Loss for the year	-	-	(40)	(40)
<b>Total comprehensive loss for the year</b>	-	-	(40)	(40)
Balance at 31 December 2019	2,485	17	14,069	16,571

	<i>Called up Share Capital £000</i>	<i>Share Premium £000</i>	<i>Profit and loss account £000</i>	<i>Total equity £000</i>
Balance at 1 January 2020	2,485	17	14,069	16,571
<b>Total comprehensive income for the year</b>				
Profit for the year	-	-	4,387	4,387
<b>Total comprehensive income for the year</b>	-	-	4,387	4,387
Dividends Paid	-	-	(4,500)	(4,500)
Balance at 31 December 2020	2,485	17	13,956	16,458

The notes on pages 16 to 32 form part of these financial statements.

## Bomford Turner Limited (formerly Alamo Manufacturing Services (UK) Limited)

### Notes to the financial statements

at 31 December 2020

#### 1 Accounting policies

Bomford Turner Limited (formerly Alamo Manufacturing Services (UK) Limited) is a private company incorporated, domiciled and registered in England and Wales in the UK. The registered number is 80026 and the registered address is Station Road, Salford Priors, Worcestershire WR11 8SW.

The Company is exempt by virtue of s401 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland ("FRS 102"). The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

The Company's ultimate parent undertaking, Alamo Group Inc, includes the Company in its consolidated financial statements. The consolidated financial statements of Alamo Group Inc are prepared in accordance with accounting principles generally accepted in the United States of America and are available to the public and may be obtained from Alamo Group Inc, P O Drawer 549, 1502 East Walnut, Seguin, TX, 78156-0549. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of Alamo Group Inc include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- The disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are as follows:

#### Accounting estimates and judgements

The principal accounting estimates, assumptions and judgements employed in the preparation of these financial statements which could affect the carrying amounts of assets and liabilities at the balance sheet dates are as follows:

##### Judgements

- Revenue recognition on new revenue streams
- Carrying value and useful economic life of tangible assets



## **Notes to the financial statements**

**at 31 December 2020**

### **1 Accounting policies (continued)**

#### **Current asset provisions**

Estimates are made by management to establish the net realisable value of various elements of working capital, principally stock and trade debtors. Provisions are established for net realisable value and bad and doubtful debt risks. Provisions are based on the facts available at the time and applied to stock and trade debtors.

In estimating the net realisable value of stock, judgement is required in assessing their likely value on realisation taking into account market and technological changes.

In estimating the collectability of trade debtors, judgement is required in assessing their likely realisation, including the current creditworthiness of each customer and related ageing of past due balances. Specific accounts are assessed in situations where a customer may not be able to meet its financial obligations due to deterioration of its financial condition.

#### **1.1 Measurement convention**

The financial statements are prepared on the historical cost basis except that the derivative financial instruments are stated at their fair value.

#### **1.2 Going concern**

The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The directors have prepared an annual budget for the Company for the period to 31 December 2021 and a forecast for the year ending 31 December 2022 which indicate that the Company will have sufficient committed working capital facilities to trade and meet its liabilities as they fall due for a period of at least 12 months from the date of approval of these financial statements.

The uncertainty linked to the COVID-19 pandemic and Brexit has had an impact on the financial performance of the Alamo Group Europe Limited group (immediate parent company). The Directors of Alamo Group Europe Limited have prepared UK group forecasts (which includes this Company) through to 31 December 2022 which included a base-case forecast and a severe but plausible downside scenario. The forecasts take into account the underlying performance of the UK subsidiaries in which the Alamo Group Europe Limited holds investments. These forecasts cover a period of at least 12 months from the date of approval of these financial statements. Both scenarios demonstrate that the UK group and its subsidiaries have sufficient working capital to continue to trade and meet their liabilities as they fall due for a period of at least 12 months from the date of approval of these financial statements. The severe but plausible downside scenario for the UK group includes a repeat of the results achieved during the second half of the COVID-19 period for the year ended 31 December 2020, this being June through December 2020 extended for the remaining FY21 and FY22 forecast periods, the rationale being that the UK companies within Alamo Group Europe, being within the manufacturing industry, were able to trade during subsequent lockdowns and management believe that it is feasible to assume this would remain the case going forward. The severe but plausible downside does not take into account any mitigating actions that would be available to the UK group or Company.

## Bomford Turner Limited (formerly Alamo Manufacturing Services (UK) Limited)

### Notes to the financial statements

at 31 December 2020

#### 1 Accounting policies *(continued)*

##### 1.2 Going concern *(continued)*

The forecasts indicate that the UK group and Company has positive cash balances throughout the period of at least 12 months from the date of signing these accounts, sufficient to meet liabilities as they fall due. The UK group is financed entirely by working capital and intercompany financing and does not have any long-term debt with non-Alamo Group Inc. companies. Beyond this, the wider Alamo Group Inc. companies could be called on to provide support as may be necessary, although no such support has been formally requested as it is not currently expected to be needed.

Consequently, the directors are confident that the UK group and Company will have sufficient funds to continue to meet their liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

##### 1.3 Foreign currency

Transactions in foreign currencies are translated to the Company's functional currency at the foreign exchange rate ruling at the date of the transaction. Gains or losses on translation are included in the profit and loss account.

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the profit and loss account.

##### 1.4 Basic financial instruments

###### *Trade and other debtors / creditors*

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

###### *Interest-bearing borrowings classified as basic financial instruments*

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

###### *Investments in subsidiaries, jointly controlled entities and associates*

These are separate financial statements of the company. Investments in subsidiaries are carried at cost less impairment.

###### *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.

## **Notes to the financial statements**

at 31 December 2020

### **1 Accounting policies (continued)**

#### **1.4 Basic financial instruments (continued)**

*Financial instruments not considered to be Basic financial instruments (Other financial instruments)*

Other financial instruments not meeting the definition of Basic Financial Instruments are recognised initially at fair value. Subsequent to initial recognition other financial instruments are measured at fair value with changes recognised in profit or loss except as follows:

- investments in equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably shall be measured at cost less impairment; and
- hedging instruments in a designated hedging relationship shall be recognised as set out below.

*Derivative financial instruments and hedging*

Derivative financial instruments are recognised at fair value. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss. However, where derivatives qualify for hedge accounting, recognition of any resultant gain or loss depends on the nature of the item being hedged (see below).

*Fair value hedges*

Where a derivative financial instrument is designated as a hedge of the variability in fair value of a recognised asset or liability or an unrecognised firm commitment, all changes in the fair value of the derivative are recognised immediately in profit or loss. The carrying value of the hedged item is adjusted by the change in fair value that is attributable to the risk being hedged (even if it is normally carried at cost or amortised cost) and any gains or losses on remeasurement are recognised immediately in the income statement (even if those gains would normally be recognised directly in reserves).

*Cash flow hedges*

Where a derivative financial instrument is designated as a hedge of the variability in cash flows of a recognised asset or liability, or a highly probable forecast transaction, the effective part of any gain or loss on the derivative financial instrument is recognised directly in Other comprehensive income. Any ineffective portion of the hedge is recognised immediately in profit or loss.

For cash flow hedges, where the forecast transactions resulted in the recognition of a non-financial asset or non-financial liability, the hedging gain or loss recognised in OCI is included in the initial cost or other carrying amount of the asset or liability. Alternatively when the hedged item is recognised in profit or loss the hedging gain or loss is reclassified to profit or loss.

When a hedging instrument expires or is sold, terminated or exercised, or the entity discontinues designation of the hedge relationship but the hedged forecast transaction is still expected to occur, the cumulative gain or loss at that point remains in equity and is recognised in accordance with the above policy when the transaction occurs. If the hedged transaction is no longer expected to take place, the cumulative unrealised gain or loss recognised in equity is recognised in the income statement immediately.

## **Bomford Turner Limited (formerly Alamo Manufacturing Services (UK) Limited)**

### **Notes to the financial statements**

at 31 December 2020

#### **1 Accounting policies *(continued)***

##### **1.6 Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

Leases in which the Company assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. All other leases are classified as operating leases.

The company assesses at each reporting date whether tangible fixed assets are impaired.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. The estimated useful lives are as follows:

- freehold land & buildings – 3-50 years
- plant and machinery – 3-10 years
- motor vehicles – 3-10 years

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the company expects to consume an asset's future economic benefits.

##### **1.7 Intangible assets**

###### *Research and development*

Expenditure on research activities is recognised in the profit and loss account as an expense as incurred.

Expenditure on development activities may be capitalised if the product or process is technically and commercially feasible and the Company intends and has the technical ability and sufficient resources to complete development, future economic benefits are probable and if the Company can measure reliably the expenditure attributable to the intangible asset during its development. Development activities involve design for, construction or testing of the production of new or substantially improved products or processes. The expenditure capitalised includes the cost of materials, direct labour and an appropriate proportion of overheads and capitalised borrowing costs. Other development expenditure is recognised in the profit and loss account as an expense as incurred. Capitalised development expenditure is stated at cost less accumulated amortisation and less accumulated impairment losses.

##### **1.8 Government grants**

Following the announcement of the Coronavirus Job Retention Scheme by the UK government in March 2020, the business has participated in this scheme to support employees during the Coronavirus pandemic. This income has been treated as other operating income and details can be found in note 8. Government grants are recognised when there is a reasonable assurance the grants will be received and the conditions of the grant will be complied with. Income from government grants during 2020 was £200,000.

##### **1.9 Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is based on the first-in first-out principle and includes expenditure incurred in acquiring the stocks, production or conversion costs and other costs in bringing them to their existing location and condition. In the case of manufactured stocks and work in progress, cost includes an appropriate share of overheads based on normal operating capacity.

## **Bomford Turner Limited (formerly Alamo Manufacturing Services (UK) Limited)**

### **Notes to the financial statements**

at 31 December 2020

#### **1 Accounting policies *(continued)***

##### **1.1 Impairment excluding stocks and deferred tax assets**

*Financial assets (including trade and other debtors)*

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

##### **1.11 Employee benefits**

*Defined contribution plans and other long term employee benefits*

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

##### **1.12 Provisions**

A provision is recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

Where the Company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, 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.

## Bomford Turner Limited (formerly Alamo Manufacturing Services (UK) Limited)

### Notes to the financial statements

at 31 December 2020

#### 1 Accounting policies (*continued*)

##### 1.13 Turnover

Turnover represents sales of goods and services as part of the Company's ordinary activities after deducting value added tax.

Turnover is recognised when the risks and rewards of ownership have passed, which usually is on delivery of goods to the customer.

##### 1.14 Expenses

###### *Operating lease*

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with expected general inflation; in which case the payments related to the structured increases are recognised as incurred. Lease incentives received are recognised in profit and loss over the term of the lease as an integral part of the total lease expense.

###### *Finance lease*

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability using the rate implicit in the lease. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent rents are charged as expenses in the periods in which they are incurred.

###### *Interest receivable and Interest payable*

Interest payable and similar charges include interest payable, finance charges on shares classified as liabilities and finance leases recognised in profit or loss using the effective interest method, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the profit and loss account (see foreign currency accounting policy).

Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method. Dividend income is recognised in the profit and loss account on the date the company's right to receive payments is established. Foreign currency gains and losses are reported on a net basis.

## **Notes to the financial statements**

**at 31 December 2020**

**1 Accounting policies** *(continued)*

**1.15 Taxation**

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries, to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is provided in respect of the additional tax that will be paid or avoided on differences between the amount at which an asset (other than goodwill) or liability is recognised in a business combination and the corresponding amount that can be deducted or assessed for tax. Goodwill is adjusted by the amount of such deferred tax.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

# Bomford Turner Limited (formerly Alamo Manufacturing Services (UK) Limited)

## Notes to the financial statements

at 31 December 2020

### 2. Turnover

An analysis of turnover through sale of goods by geographical market is given below:

	2020	2019
	£000	£000
United Kingdom	17,725	22,216

All turnover is to fellow Alamo Group Inc. companies.

### 3. Operating profit

This is stated after charging / (crediting):

	2020	2019
	£000	£000

Auditor's remuneration

- amounts receivable by the auditor and their associates in respect of:
- Audit of financial statements pursuant to legislation.
- tax compliance services

22	29
13	8
35	37

Depreciation

- of owned fixed assets
- under finance lease

453	451
95	102
548	553

Operating lease rentals - plant and machinery

8	19
---	----

Profit on disposal of fixed assets

(4)	-
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### 4. Staff costs

	2020	2019
	£000	£000
Wages and salaries	3,627	4,457
Social security costs	355	434
Other pension costs (note 16)	123	170
	4,105	5,061

The monthly average number of employees during the year was as follows:

	2020	2019
Production	144	175



## Bomford Turner Limited (formerly Alamo Manufacturing Services (UK) Limited)

### Notes to the financial statements

at 31 December 2020

#### 5. Directors' remuneration

All of the Company's directors are also directors of other Alamo Group Inc. group companies. Two of the directors during the year were remunerated by Alamo Group Europe Limited (2019: three). The aggregate amount paid by Alamo Group Europe Limited in respect of these directors' remuneration for the year ending 31 December 2020 was £683,000 (2019: £1,163,000). Emoluments, excluding pension contributions and employers NIC, in respect of the highest paid director were £465,000 (2019: £592,000). The directors do not believe that it is practical to apportion this amount between their services as directors of the Company and their services as directors of the other Alamo Group Inc. group companies. The third director is remunerated through another Alamo Group Inc. group company. The allocation of this director's remuneration for qualifying services provided to the Company during the period is negligible (2019: Negligible).

#### 6. Interest receivable and similar income

	2020 £000	2019 £000
Bank interest receivable	1	1
	<u>1</u>	<u>1</u>

#### 7. Interest payable

	2020 £000	2019 £000
Bank interest payable	1	5
Finance charges payable under finance leases	30	34
	<u>31</u>	<u>39</u>

**Bomford Turner Limited (formerly Alamo Manufacturing Services (UK) Limited)**

**Notes to the financial statements**

at 31 December 2020

**8. Other income**

	2020 £000	2019 £000
Coronavirus job retention scheme	200	-
	<u>200</u>	<u>-</u>
	<u><u>200</u></u>	<u><u>-</u></u>

**9. Tax**

**Total tax expense recognised in the profit and loss account, other comprehensive income and equity**

	2020 £000	2019 £000	2020 £000	2019 £000
<i>Current tax:</i>				
UK corporation tax	38	37		
Adjustments in respect of previous periods	-	(5)		
Total current tax			<u>38</u>	<u>32</u>
			<u><u>38</u></u>	<u><u>32</u></u>
<i>Deferred tax:</i>				
Origination and reversal of timing differences	(20)	38		
Total deferred tax			<u>(20)</u>	<u>38</u>
			<u><u>18</u></u>	<u><u>70</u></u>

*Analysis of current tax recognised in profit and loss*

	2020 £000	2019 £000
UK Corporation tax	38	32
Total current tax recognised in profit and loss	<u>38</u>	<u>32</u>
	<u><u>38</u></u>	<u><u>32</u></u>

**Bomford Turner Limited (formerly Alamo Manufacturing Services (UK) Limited)**

**Notes to the financial statements**

at 31 December 2020

**9. Taxation (continued)**

**Reconciliation of effective tax rate**

	2020	2019
	£000	£000
Profit / (loss) for the year	4,387	(40)
Total tax expense	18	70
	<u>4,405</u>	<u>30</u>
Tax using the UK corporation tax rate of 19% (2019: 19%)	837	6
Expenses not deductible for tax purposes	(853)	(3)
Depreciation in excess of capital allowances/(Capital allowances in excess of depreciation)	54	34
Other timing differences	(20)	33
Adjustments in respect of previous periods		
Total tax expense included in profit and loss	<u>18</u>	<u>70</u>

In the 3 March 2021 Budget it was announced that the UK tax rate will increase to 25% from 1 April 2023. This will have a consequential effect on the company's future tax charge. If this rate change had been substantively enacted at the current balance sheet date the deferred tax liability would have increased by £28,000.

**Bomford Turner Limited (formerly Alamo Manufacturing Services (UK) Limited)**

**Notes to the financial statements**

at 31 December 2020

**10. Tangible fixed assets**

	<i>Freehold Land &amp; Buildings</i>	<i>Assets in the course of construction</i>	<i>Plant &amp; Machinery</i>	<i>Motor Vehicles</i>	<i>Total</i>
	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>
Cost:					
At 1 January 2020	7,597	49	5,069	34	12,749
Additions	-	30	5	-	35
Disposals	(50)	-	(1,249)	-	(1,299)
Transfers between category	11	(79)	68	-	-
Transfer from other group companies	-	-	-	-	-
At 31 December 2020	<u>7,558</u>	<u>-</u>	<u>3,893</u>	<u>34</u>	<u>11,485</u>
At 1 January 2020	1,686	-	3,544	26	5,256
Provided during the year	202	-	343	3	548
Disposals	(50)	-	(1,235)	-	(1,285)
Transfers between category	-	-	-	-	0
At 31 December 2020	<u>1,838</u>	<u>-</u>	<u>2,652</u>	<u>29</u>	<u>4,519</u>
Net book value:					
At 31 December 2020	<u>5,720</u>	<u>-</u>	<u>1,241</u>	<u>5</u>	<u>6,966</u>
At 1 January 2020	<u>5,911</u>	<u>49</u>	<u>1,525</u>	<u>8</u>	<u>7,493</u>

Included in the total net book value of Plant & Machinery is £115,000 (2019: £224,000) in respect of assets held under finance leases. Depreciation for the year on these assets was £95,000 (2019: £107,000).

# Bomford Turner Limited (formerly Alamo Manufacturing Services (UK) Limited)

## Notes to the financial statements

at 31 December 2020

### 11. Investments

	Interests in subsidiary companies £000
Cost:	
At 1 January 2020 & 31 December 2020	1,500
Amounts provided:	
At 1 January 2020 & 31 December 2020	(1,500)
Net book value:	
At 1 January 2020 & 31 December 2020	-

Name of company	Activity	Registered Office	Country of incorporation	Holding	Proportion of issued equity capital held
Twose of Tiverton Limited	Dormant	Station Rd, Salford Priors, Worcestershire WR11 8SW	England	Ordinary Shares	100%
Bomford Turner (1954) Limited (formerly Bomford Turner Limited)	Design and marketing of agricultural machinery	Station Rd, Salford Priors, Worcestershire WR11 8SW	England	Ordinary Shares	100%
Turner International Eng Limited	Dormant	Station Rd, Salford Priors, Worcestershire WR11 8SW	England	Ordinary Shares	100%
Bomford & Evershed Limited	Dormant	Station Rd, Salford Priors, Worcestershire WR11 8SW	England	Ordinary Shares	100%

# Bomford Turner Limited (formerly Alamo Manufacturing Services (UK) Limited)

## Notes to the financial statements

at 31 December 2020

### 12. Stocks

	2020	2019
	£000	£000
Raw materials	289	313
Work in progress	1,137	1,152
Finished goods	5,635	6,989
	<u>7,061</u>	<u>8,454</u>

The difference between purchase price or production cost of stocks and their replacement cost is not material.

### 13. Debtors

	2020	2019
	£000	£000
Trade debtors	6	8
Amounts owed by parent undertakings	1,566	938
Amounts owed by fellow group undertakings	1,438	845
Amounts owed by subsidiary undertakings	630	531
Other debtors	524	533
Prepayments and accrued income	114	130
	<u>4,278</u>	<u>2,985</u>

Amounts owed by group undertakings carry no interest and are payable on demand.

### 14. Creditors: amounts falling due within one year

	2020	2019
	£000	£000
Finance leases	78	122
Trade creditors	1,438	1,212
Amounts owed to fellow group undertakings	9	9
Amounts owed to subsidiary undertakings	637	637
Corporation tax	43	45
Other taxation and social security	72	76
Other creditors	1	2
Accruals and deferred income	209	117
	<u>2,487</u>	<u>2,220</u>

Amounts owed to group undertakings carry no interest and are payable on demand.

# Bomford Turner Limited (formerly Alamo Manufacturing Services (UK) Limited)

## Notes to the financial statements

at 31 December 2020

### 15. Creditors: amounts falling due after more than one year

	2020 £000	2019 £000
Finance leases	37	102
	<u>37</u>	<u>102</u>

Finance leases and hire purchase contracts are secured on the assets concerned.

Future non-cancellable lease payments due under finance leases are as follows:

	2020 £000	2019 £000
Minimum amounts payable:		
Within one year	100	160
Between two and five years	47	127
	<u>147</u>	<u>287</u>

### 16. Pensions

The company operates a defined contribution pension scheme for its directors and employees. These assets of the scheme are held separately from those of the company in an independently administered fund.

Included within accruals is £1,000 (2019: £nil) relating to outstanding contributions payable to this pension scheme.

### 17. Provisions for liabilities

	Deferred Tax £000
At 1 January 2020	140
Profit and loss charge for the period	(19)
At 31 December 2020	<u>121</u>

## Bomford Turner Limited (formerly Alamo Manufacturing Services (UK) Limited)

### Notes to the financial statements

at 31 December 2020

#### 18. Commitments under operating leases

##### Operating leases

At 31 December 2020 the company had non-cancellable operating leases payable as follows:

	2020	2019
	Other	Other
	£000	£000
Operating leases which expire:		
Within one year	8	19
In two to five years	-	-
	<u>8</u>	<u>19</u>
	<u>8</u>	<u>19</u>

#### 19. Contingent liability

The company has entered into an omnibus letter of set-off with the bank, Lloyds Bank Plc, between Alamo Group Europe Limited, McConnell Limited, Bomford Turner Limited, Bomford Turner (1954) Ltd, and Spearhead Machinery Limited. This agreement provides for each of the companies party to the Agreement (as noted above) to guarantee all monies and liabilities at any time due owing or incurred from or by each of the other companies to the Bank; and would permit the Bank at any time to combine or consolidate all or any of the companies bank accounts and transfer all or any sums standing to the credit of such bank accounts in or towards satisfaction of all or any of the companies' liabilities to the Bank. The set-off balance of the companies at the balance sheet date was net £4,252,000 (2019: £2,511,000)).

#### 20. Share capital

	2020	2019
	£000	£000
Allotted, called up and fully paid		
2,484,666 Ordinary shares of £1 each	<u>2,485</u>	<u>2,485</u>

#### 21. Capital commitments

Amounts contracted for but not provided in the financial statements amounted to £nil (2019: £nil).

#### 22. Ultimate parent company

In the opinion of the directors, the ultimate parent undertaking of the smallest and largest group of which the company is a member is Alamo Group Inc, Seguin, Texas, USA. Copies of that company's accounts may be obtained from Alamo Group Inc, P O Drawer 549, 1502 East Walnut, Seguin, TX, 78156-0549, USA.

#### 23. Post balance sheet events

The directors have proposed a final ordinary dividend in respect of the current financial year of £2,000,000 (2019: £4,500,000). This has not been included within creditors as it was not approved before the year end. This dividend was paid on 16 June 2021.

On 1 January 2021, the trade and net assets of the subsidiary company Bomford Turner (1954) Limited (formerly Bomford Turner Limited) was transferred to the Company.