

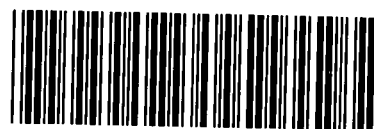
LINDE MATERIAL HANDLING SCOTLAND LIMITED

Annual Report and Financial Statements

For the year ended 31 December 2021

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LINDE MATERIAL HANDLING SCOTLAND LIMITED

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

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LINDE MATERIAL HANDLING SCOTLAND LIMITED

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

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

U Just
E Parker
C Blebta

REGISTERED OFFICE

Kingsclere Road
Basingstoke
Hampshire
RG21 6XJ

BANKERS

HSBC Bank PLC

AUDITOR

Deloitte LLP
Statutory Auditor
London, United Kingdom

LINDE MATERIAL HANDLING SCOTLAND LIMITED

STRATEGIC REPORT

The directors present the strategic report on the affairs of the Company for the year ended 31 December 2021.

PRINCIPAL ACTIVITIES

The entity was non-trading since the transfer of the business as a going concern to a group sister company in 2020.

BUSINESS REVIEW AND FUTURE PROSPECTS

Financial results and overview

On 1 November 2020 the Company transferred its entire business, as a going concern, to a group sister company, Linde MH UK Limited. This transfer was part of a UK wide Group entity restructuring program, with the intention of further enhancing the performance and efficiencies of the UK Group operations as a whole. The net assets and ongoing business operations of the Company were transferred in accordance with the respective 'asset purchase agreement' dated 1 November 2020. The Company ceased trading effective 1 November 2020.

Objectives and strategy

Following the transfer of business operations in 2020, to a UK group sister company, the Company will exist going forward as a non-trading dormant entity.

Markets and regulatory

The Company is part of a global organisation which sells a full range of material handling equipment to industry. The Group has full control of the service and rental network across mainland UK.

The 'Linde' brand is recognised throughout the world as a leading supplier of quality forklift trucks and material handling equipment.

PRINCIPAL RISKS AND UNCERTAINTIES

There were no significant risks or uncertainties identified, following the transfer of the business as a going concern to another UK group entity in 2020.

FUTURE DEVELOPMENTS

The directors do not anticipate any changes to the activities of the Company in the near/foreseeable future.

Details of significant events since the balance sheet date are contained in note 10 to the financial statements, where applicable. It is intended for the Company to remain as a dormant non-trading entity for the foreseeable future.

Approved by the Board and signed on its behalf by



C Blebta
Director
29 September 2022

LINDE MATERIAL HANDLING SCOTLAND LIMITED

DIRECTORS' REPORT

The directors present their annual report on the affairs of the Company, together with the financial statements, for the year ended 31 December 2021.

These revised financial statements replace the original financial statements for the year ended 31 December 2021 which were approved by the board on 15th of March 2022. They are now the statutory financial statements of the company for that financial year. In accordance with the **Companies Act 2006 ('the Act')**, the financial statements have been revised as at the date of the original financial statements and not as at the date of this revision. Accordingly they do not deal with events between those dates.

The original financial statements did not comply with the Act in the following respect. The Act requires that these financial statements are subject to an external audit and approved accordingly. There was no adjustment to the financial statements including no effect on the result for the year or the net assets of the company.

The Act requires that where revised financial statements are issued, a revised auditor's report is issued and this is attached.

Under **s454 of the Act** the directors have authority to revise annual financial statements, the strategic report, the directors' report or directors' remuneration report if they do not comply with the Act. The revised financial statements or report must be amended in accordance with *The Companies (Revision of Defective Accounts and Reports) Regulations 2008* and in accordance therewith do not take account of events which have taken place after the date on which the original financial statements were approved. The Regulations require that the revised financial statements show a true and fair view as if they were prepared and approved by the directors as at the date of the original financial statements.

PRINCIPAL ACTIVITIES

The entity was non-trading since the transfer of the business as a going concern to a group sister company in 2020.

FUTURE DEVELOPMENTS

There are no future developments to report. It is intended for the Company to remain as a dormant non-trading entity for the foreseeable future.

EVENTS AFTER THE BALANCE SHEET DATE

There are no subsequent events to report.

GOING CONCERN

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The directors are confident that the overall going concern position is fully supported, and that they have not been able to identify any material uncertainties in relation to going concern. Thus, they continue to adopt the going concern basis in preparing the annual financial statements.

Further details regarding the adoption of the going concern basis can be found in note 1 (accounting policies) of the financial statements.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Following the cessation of the Company's trading activities, and subsequent transfer of business as a going concern to another group entity, there are no longer any identified risks in relation to the Company.

DIVIDENDS

There are no further dividends planned, following the balance sheet date.

DIRECTORS

The directors who held office during the year and to the date of signing are set out on page 1 of these financial statements.

DIRECTORS' INDEMNITIES

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

LINDE MATERIAL HANDLING SCOTLAND LIMITED

DIRECTORS' REPORT (CONTINUED)

ANTI-SLAVERY

The Company has a zero-tolerance approach to modern slavery and human trafficking and takes all necessary steps to ensure that slavery and trafficking are not taking place in any of its supply chains, or in any part of its own business. The Company is committed to acting ethically and with integrity in all its business dealings and relationships and is committed to implementing and enforcing effective systems and controls to ensure modern slavery and human trafficking is not taking place anywhere within the Company or those of its suppliers. The Company's anti-slavery policy is published and reviewed on an annual basis and is available in full on the Company's website.

DISABLED EMPLOYEES

Applications for employment by disabled persons are always fully considered, bearing in mind the abilities of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the Company continues and that appropriate training is arranged. It is the policy of the Company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

CLIMATE CHANGE

The Company is committed to a program of continual improvement in environmental performance, including protection of the environment and minimising its impact on climate change. This includes, where possible, preventing pollution at source, taking into consideration business objectives, employees, the local community and continual improvement of its Environmental Management System. The Company takes very seriously its responsibility to address climate change concerns, and to minimise waste through better utilisation of raw materials, including use of reusable and recyclable materials. Further it seeks to establish objectives and targets for the reduction of gas, electricity and water.

AUDITOR

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

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

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

Deloitte LLP have expressed their willingness to continue in office as auditor and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

Approved by the Board and signed on its behalf by:



C Blebta
Director
29 September 2022

LINDE MATERIAL HANDLING SCOTLAND LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "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 year.

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

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

LINDE MATERIAL HANDLING SCOTLAND LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LINDE MATERIAL HANDLING SCOTLAND LIMITED

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Linde Material Handling Scotland Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 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.

We have audited the financial statements which comprise:

- the profit and loss account;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 11.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

LINDE MATERIAL HANDLING SCOTLAND LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LINDE MATERIAL HANDLING SCOTLAND LIMITED (CONTINUED)

Responsibilities of directors

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

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

Auditor's responsibilities for the audit of the financial statements

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

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 auditor's report.

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

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

We considered the nature of the company's industry and its control environment and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, pensions legislation and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These included Health & Safety regulations, Bribery Act 2010, Data Protection Act and Employment and Labour laws and regulations.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, where there were any; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;

LINDE MATERIAL HANDLING SCOTLAND LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LINDE MATERIAL HANDLING SCOTLAND LIMITED (CONTINUED)

- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

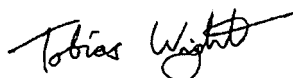
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- 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 respect of these matters.

Use of our report

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



Tobias Wright, FCA (Senior statutory auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

London, United Kingdom

29 September 2022

LINDE MATERIAL HANDLING SCOTLAND LIMITED

PROFIT AND LOSS ACCOUNT **For the year ended 31 December 2021**

	Note	2021 £000	2020 £000
TURNOVER	3	-	13,027
Cost of sales		-	(10,981)
GROSS PROFIT		-	2,046
Administrative expenses		-	(760)
Distribution costs		-	(921)
Other operating income		-	25
OPERATING PROFIT		-	390
Net finance costs	4	-	(157)
PROFIT BEFORE TAXATION	5	-	233
Tax on result/profit	8	-	(50)
PROFIT FOR THE FINANCIAL YEAR		-	183

All activities of the company are classified as discontinued.

There is no other comprehensive income for the current financial year and previous financial year. Accordingly, no statement of comprehensive income has been presented

LINDE MATERIAL HANDLING SCOTLAND LIMITED

BALANCE SHEET

As at 31 December 2021

	Note	2021 £000	2020 £000
FIXED ASSETS			
Tangible assets		-	-
		-	-
CURRENT ASSETS			
Stocks		-	-
Debtors		-	-
Due within one year		-	-
Due after one year		-	-
Cash at bank and in hand		-	-
		-	-
CREDITORS: amounts falling due within one year		-	-
NET CURRENT ASSETS		-	-
TOTAL ASSETS LESS CURRENT LIABILITIES		-	-
CREDITORS: amounts falling due after more than one year		-	-
NET ASSETS		-	-
CAPITAL AND RESERVES			
Called up share capital		-	-
Profit and loss account		-	-
SHAREHOLDERS' FUNDS		-	-

There was £1 of remaining called up share capital at 31st December 2021.

These financial statements of Linde Material Handling Scotland Limited, registered number 03446986 were approved by the Board of Directors and authorised on 29 September 2022.

Signed on behalf of the Board of Directors



C Blebta
Director

LINDE MATERIAL HANDLING SCOTLAND 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
At 1 January 2020	2,500	7,732	10,232
Profit for the financial year	-	183	183
Capital reduction at 1 November 2020	(2,500)	2,500	-
Distribution in specie at 1 November 2020	-	(10,415)	(10,415)
At 31 December 2020	-	-	-
At 31 December 2021	-	-	-

LINDE MATERIAL HANDLING SCOTLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2021

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

General information and basis of accounting

Linde Material Handling Scotland Limited is a private company limited by shares, incorporated in the United Kingdom and registered in England and Wales. The address of the registered office is given on page 1. The nature of the Company's operations and its principal activities are set out in the directors' report on page 3.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The functional currency of Linde Material Handling Scotland Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

Linde Material Handling Scotland Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements, which are presented alongside the consolidated financial statements. Exemptions have been taken in relation to share-based payments, financial instruments, presentation of a cash flow statement and remuneration of key management personnel.

The Company has taken advantage of the exemption set out in section 400 of the Companies Act 2006 not to prepare consolidated accounts as it is a subsidiary of KION Group AG, a company incorporated in Germany, and its results are incorporated in the consolidated financial statements of that company.

Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the directors' report.

The directors have a reasonable expectation that the company has adequate resources to continue in existence for the foreseeable future. The directors have confirmed that the overall going concern position is fully supported, and that they have not been able to identify any material uncertainties in relation to going concern. Thus, they continue to adopt the going concern basis in preparing the annual financial statements.

At the year end the Company had net amounts owed to related companies of £nil (2020: £nil) and they have net current assets of £nil (2020: £nil).

Employee benefits

The Company contributes to two defined contribution pension schemes. The assets of these schemes are held separately from those of the Company in independently administered funds. The amounts charged against profits represent the contributions payable to the scheme in respect of the accounting year.

For defined contribution schemes the amount charged to the income statement in respect of pension costs and other retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Turnover

Turnover is stated net of VAT and trade discounts and is recognised when the significant risks and rewards are considered to have been transferred to the buyer. Turnover from the sale of goods is recognised when the goods are physically delivered to the customer. Turnover from the supply 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 fair value of the consideration received or receivable. Where a contract has only been partially completed at the balance sheet date turnover represents the fair value of the service provided to date based on the stage of completion of the contract activity at the balance sheet date. Where payments are received from customers in advance of services provided, the amounts are recorded as deferred income and included as part of creditors due within one year.

LINDE MATERIAL HANDLING SCOTLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2021

1. ACCOUNTING POLICIES (CONTINUED)

Interest and other operating income

Interest income and other operating income is recognised when it is probable that the economic benefits will flow to the company and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

Leases

As Lessee

Assets held under finance leases, hire purchase contracts and other similar arrangements, which confer rights and obligations similar to those attached to owned assets, are capitalised as tangible fixed assets at the fair value of the leased asset (or, if lower, the present value of the minimum lease payments as determined at the inception of the lease) and are depreciated over the shorter of the lease terms and their useful lives. The capital elements of future lease obligations are recorded as liabilities, while the interest elements are charged to the income statement over the period of the leases to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

As Lessor

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Where assets are leased to customers under a non-disclosed agency arrangement, without risk to the Company, only agency commission is reflected in the income statement, with balances due from the customer or payable to the lessor reflected in the balance sheet.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in years different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

When the amount that can be deducted for tax for an asset (other than goodwill) that is recognised in a business combination is less (more) than the value at which it is recognised, a deferred tax liability (asset) is recognised for the additional tax that will be paid (avoided) in respect of that difference. Similarly, a deferred tax asset (liability) is recognised for the additional tax that will be avoided (paid) because of a difference between the value at which a liability is recognised and the amount that will be assessed for tax. The amount attributed to goodwill is adjusted by the amount of deferred tax recognised.

LINDE MATERIAL HANDLING SCOTLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2021

1. ACCOUNTING POLICIES (CONTINUED)

Taxation (continued)

Deferred tax liabilities are recognised for timing differences arising from investments in subsidiaries and associates, except where the Company is able to control the reversal of the timing difference and it is probable that it will not reverse in the foreseeable future.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference. Deferred tax relating to property, plant and equipment measured using the revaluation model and investment property is measured using the tax rates and allowances that apply to sale of the asset.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset only if: a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future year in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

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 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.

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.

Critical judgements in applying the Company's accounting policies

There are no critical accounting judgements or key sources of estimation uncertainty.

3. TURNOVER

The turnover is wholly attributable to the principal activity of the Company and arose in the United Kingdom. Turnover by destination is no different to turnover by origin.

An analysis of the turnover is as follows:

	2021	2020
	£000	£000
Sale of goods	-	5,707
Supply of services	-	7,320
	<u>-</u>	<u>13,027</u>

LINDE MATERIAL HANDLING SCOTLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2021

4. FINANCE COSTS (NET)

	2021 £000	2020 £000
Interest payable and similar charges	-	177
Other finance income	-	(20)
	<u>-</u>	<u>157</u>

Interest payable and similar charges

	2021 £000	2020 £000
Finance leases and hire purchase contracts	-	177

Other finance income

	2021 £000	2020 £000
Other interest receivable and similar income	-	(20)

5. PROFIT BEFORE TAXATION

Profit before taxation is stated after charging:

	2021 £000	2020 £000
Depreciation on tangible fixed assets	-	65
Depreciation on leased assets	-	844
Operating lease rentals	-	365

Auditor remuneration costs of £6,750 relating to the audit of the financial statements are borne by Linde Holdings Limited, the immediate parent undertaking of Linde Material Handling (UK) Limited, the company's immediate parent undertaking, who previously bore these costs (2020: £17,750). There were no non-audit fees payable to the Company's auditor during the period.

The amount of inventories recognised as an expense during the year amounted to £nil (2020: £6,473,812).

6. STAFF NUMBERS AND COSTS

The average monthly number of employees (including executive directors) was:

	Number of employees	
	2021 No.	2020 No.
Office and management	-	23
Service and production	-	51
	<u>-</u>	<u>74</u>

LINDE MATERIAL HANDLING SCOTLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2021

6. STAFF NUMBERS AND COSTS (CONTINUED)

Their aggregate remuneration comprised:

	2021 £000	2020 £000
Wages and salaries	-	2,371
Social security costs	-	250
Other pension costs (see note 9)	-	245
	<u>-</u>	<u>2,866</u>

'Other pension costs' includes only those items included within operating costs. Items reported elsewhere have been excluded.

7. DIRECTORS' REMUNERATION AND TRANSACTIONS

The directors receive remuneration from other group companies in respect of their services to the Group. Their allocation to this Company is £nil (2020: £ nil).

8. TAX ON PROFIT

The tax charge comprises:

	2021 £000	2020 £000
<i>Current tax on profit</i>		
UK corporation tax	-	164
Adjustment in respect of prior years	-	(28)
Total current tax	<u>-</u>	<u>136</u>
<i>Deferred taxation</i>		
Origination and reversal of timing differences	-	(86)
Total deferred taxation	<u>-</u>	<u>(86)</u>
Total tax on profit	<u>-</u>	<u>50</u>

The standard rate of tax applied to reported profit is 19% (2020: 19%). The applicable tax rate is aligned with the substantive enactment of the relevant Finance Act. Deferred tax has been calculated at 19% (2020: 19%), being the future corporation tax rates announced.

The Covid pandemic in 2020 meant that the UK government decided not to lower the main rate of corporation tax to 17% as had been planned previously. Instead, the decision was made formally to retain the 19% corporation tax rate up to and including tax years commencing 1st April 2022. Accordingly, this rate has been applied when calculating deferred tax assets and liabilities as at 31 December 2020. The UK government further announced that from 1st April 2023 the main rate of corporation tax will be increased to 25%.

There is no expiry date on timing differences, unused tax losses or tax credits.

LINDE MATERIAL HANDLING SCOTLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2021

8. TAX ON PROFIT (CONTINUED)

The differences between the total tax charge shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

	2021 £000	2020 £000
Profit before tax	-	233
Current tax at 19% (2020: 19%)	-	44
Effects of:		
Expenses not deductible for tax purposes	-	12
Depreciation for year lower than capital allowance	-	108
Adjustment in respect of prior years	-	(28)
Changes in deferred tax assets	-	(86)
Total tax charge for the year	-	50

9. EMPLOYEE BENEFITS

Defined contribution schemes

The Company operates defined contribution retirement benefit schemes for all qualifying employees. The total expense charged to profit or loss in the year ended 31 December 2021 was £nil (2020: £245,445). As at 31 December 2021 the company had an accrual in respect of unpaid contributions of £nil (2020: £nil).

10. SUBSEQUENT EVENTS

There are no subsequent events to report.

11. CONTROLLING PARTY

The ultimate parent undertaking and ultimate controlling party is KION Group AG which is incorporated in Germany and listed on the Frankfurt Stock Exchange. The registered office address is Thea-Rasche-Strasse 8, 60549 Frankfurt, Germany. The financial statements of the Company are consolidated only into the financial statements of KION Group AG.

The consolidated financial statements of KION Group AG are available to the public on their website www.kiongroup.com or copies can be obtained from Linde Holdings Limited, Kingsclere Road, Basingstoke, Hampshire, RG21 6XJ.

The immediate parent undertaking is Linde Material Handling (UK) Limited, a Company registered in England and Wales. Copies of the immediate parent's financial statements may be obtained from Linde Holdings Limited, Kingsclere Road, Basingstoke, Hampshire, RG21 6XJ.