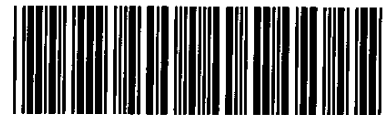


Parent of: 8643930

REGISTERED NUMBER: 10046388 (England and Wales)

GROUP STRATEGIC REPORT,  
REPORT OF THE DIRECTORS AND  
AUDITED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022  
FOR  
LIFTING GEAR UK GROUP LIMITED

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FOR THE YEAR ENDED 31 DECEMBER 2022**

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**LIFTING GEAR UK GROUP LIMITED**  
**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

<b>Directors:</b>	A C Harrison C B Fredlund M E Jaginder
<b>Registered office:</b>	Unit 1D Maple Court White Moss Business Park Skelmersdale Lancashire WN8 9TW
<b>Registered number:</b>	10046388 (England and Wales)
<b>Auditors:</b>	Rödl & Partner Limited 170 Edmund Street Birmingham B3 2HB

**GROUP STRATEGIC REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2022**

The directors present their strategic report of the company and the group for the year ended 31 December 2022.

**Review of business**

As the parent company of the Lifting Gear group, the company continues to undertake management activities for the group companies. The group has continued its principal activities of the hire, sale and service of lifting equipment, contract lifting and bespoke fabrication.

The group remains part of the wider Axel Johnson group and benefits from the financial and operational strength this brings.

The aim of the directors is to maintain and enhance the group's reputation as the one stop provider for a complete lifting and handling equipment service throughout the UK. The business has grown year on year such that it can service the whole of the UK from a strong branch network and, in addition, the group offers a full range of height safety equipment and solutions for most eventualities.

The group continues to use ISO9001, as it is a globally recognised standard, to improve its internal management, reduce waste, increase efficiency and therefore productivity, allowing it to provide consistent outcomes, which are measured and monitored to improve customer experience, retention and acquisition.

There continues to be significant investment in the hire fleet to support the specific customer requirements, with a total capital investment of over £1 million in the year ended 31 December 2022.

The directors believe that the key performance indicators for the group continue to be turnover, gross profit and EBITDA. These figures for the year ended 31 December 2022 and the period ended 31 December 2021 are set out below:

	Year ended 31.12.22	14 months to 31.12.21
Turnover	£11,385,898	£11,382,584
Gross profit	£6,228,204	£6,566,416
Gross profit %	54.7%	57.6%
EBITDA	£2,149,678	£2,644,376

The directors are pleased with the results for the year and with the growth in hire and contract lifting revenues.

**Future developments**

The directors are confident that the growth projections for the current year are achievable. With a strong branch network and an excellent range of services the group will continue to identify new contracts and opportunities for the future expansion of the business.

The group intends to continue to invest in new assets and has made significant investments in a H/IAB and a jacking system since the year-end.

**Principal risks and uncertainties**

The group operates in a competitive market and there is the commercial risk of losing market share to its competitors. To guard against this, the directors and key staff carry out regular assessments of competitor activity, customer behaviour and general market conditions to ensure they can identify and react to commercial risks as and when they arise.

The group also faces risks from not complying with Health and Safety legislation. To address this risk, it implements the highest possible safety standards and meets all its legislative requirements.

The group is a member of The Fleet Operator Recognition Scheme (FORS) which is a voluntary accreditation scheme for fleet operators which aims to raise the level of quality within fleet operations, and to demonstrate which operators are achieving exemplary levels of best practice in safety, efficiency, and environmental protection.

The directors do not envisage that Brexit will have a significant impact on the business.

**GROUP STRATEGIC REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**Financial risk management objectives and policies**

The group's activities expose it to a number of financial risks including credit risk and liquidity risk.

The risks of the group are managed internally by holding regular senior managers meetings and board meetings, supported by external providers of advice to the directors where necessary.

**Credit risk**

The group's credit risk primarily relates to trade receivables. The amounts presented in the balance sheet are presented net of any allowances for doubtful receivables. The group seeks to minimise its credit risk by undertaking regular credit checks on new and existing customers and by insuring receivables against non-payment.

**Liquidity risk**

As part of Axel Johnson, the group has access to an internal treasury department, which enables it to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments.

**Employee matters**

The group's most important resource is its people, and their knowledge and experience are crucial to meeting customer requirements. The retention of key staff is crucial, and the group looks to promote from within where possible.

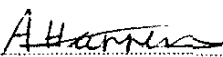
The group invests considerably in training and development. It is committed to achieving excellence in Health & Safety, welfare and protection of its employees.

Employment within the group is based on the person's ability to work and not on the basis of race, individual characteristics, creed or political opinion.

**Environmental policy**

The group recognises its corporate responsibility to carry out its operations whilst minimising its impact on the environment. The directors continued aim is to reduce waste wherever possible and comply with all environmental legislation.

**On behalf of the board:**

  
.....  
A C Harrison - Director

Date: 13.12.2023

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

The directors present their report with the financial statements of the company and the group for the year ended 31 December 2022.

**Principal activities**

The principal activities of both the company and the group are disclosed in the Strategic Report.

**Dividends**

The company did not pay any dividends in the year.

**Events since the end of the year**

Information relating to events since the end of the year is given in the notes to the financial statements.

**Directors**

The directors shown below have held office during the whole of the period from 1 January 2022 to the date of this report.

A C Harrison  
C B Fredlund

Other changes in directors holding office are as follows:

M E Jaginder was appointed as a director after 31 December 2022 but prior to the date of this report.

R P A Wiberg ceased to be a director after 31 December 2022 but prior to the date of this report.

**Disclosure in the strategic report**

The disclosures in respect of the business review, future developments and the financial risk management, objectives and policies are included in the Group Strategic Report.

**Directors' responsibilities statement**

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors 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 Financial Reporting Standard 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 the group and of the profit or loss of the group for that period. 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;
- 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Statement as to disclosure of information to auditors**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.


LIFTING GEAR UK GROUP LIMITED (REGISTERED NUMBER: 10046388)

REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 DECEMBER 2022

**Auditors**

The auditors, Rödl & Partner Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

On behalf of the board:

  
A C Harrison - Director

Date: 13.12.2023

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF LIFTING GEAR UK GROUP LIMITED**

### **Opinion**

We have audited the financial statements of Lifting Gear UK Group Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2022 which comprise the Consolidated Statement of Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. 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).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company affairs as at 31 December 2022 and of the group's profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including 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 group's and the parent 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. 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **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 Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.



## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF LIFTING GEAR UK GROUP LIMITED

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

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Report of the Directors.

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

### Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page four, 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 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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

### Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management, those charged with governance around actual and potential litigation and claims;
- Enquiry of entity staff to identify any instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

### 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 a Report of the Auditors 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.



Imran Farooq (Senior Statutory Auditor)  
for and on behalf of Rödl & Partner Limited  
170 Edmund Street  
Birmingham  
B3 2HB

Date: 13 Dec 2023

**CONSOLIDATED  
STATEMENT OF COMPREHENSIVE  
INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2022**

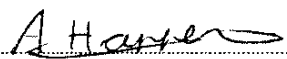
	Notes	Year Ended 31.12.22 £	Period 11.20 to 31.12.21 £
<b>TURNOVER</b>	5	11,385,898	11,382,584
Cost of sales		5,157,694	4,816,168
<b>GROSS PROFIT</b>		6,228,204	6,566,416
Administrative expenses		4,842,820	4,776,005
		1,385,384	1,790,411
Other operating income	6	-	113,202
<b>OPERATING PROFIT</b>	9	1,385,384	1,903,613
Interest receivable and similar income		26,080	18,984
		1,411,464	1,922,597
Interest payable and similar expenses	10	12,080	233,693
<b>PROFIT BEFORE TAXATION</b>		1,399,384	1,688,904
Tax on profit	11	277,959	486,113
<b>PROFIT FOR THE FINANCIAL YEAR</b>		1,121,425	1,202,791
<b>OTHER COMPREHENSIVE INCOME</b>		-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		1,121,425	1,202,791
Profit attributable to: Owners of the parent		1,121,425	1,202,791
Total comprehensive income attributable to: Owners of the parent		1,121,425	1,202,791

The notes form part of these financial statements

**CONSOLIDATED BALANCE SHEET**  
**31 DECEMBER 2022**

	Notes	31.12.22	31.12.21
		£	£
<b>FIXED ASSETS</b>			
Intangible assets	14	2,553,139	2,745,178
Tangible assets	15	2,895,192	2,338,154
Investments	16	-	-
		<u>5,448,331</u>	<u>5,083,332</u>
<b>CURRENT ASSETS</b>			
Stocks	17	308,750	255,664
Debtors	18	3,455,327	2,711,532
Cash at bank and in hand		710,196	331,721
		<u>4,474,273</u>	<u>3,298,917</u>
<b>CREDITORS</b>			
Amounts falling due within one year	19	<u>1,786,198</u>	<u>1,519,029</u>
<b>NET CURRENT ASSETS</b>		<u>2,688,075</u>	<u>1,779,888</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>8,136,406</u>	<u>6,863,220</u>
<b>PROVISIONS FOR LIABILITIES</b>	21	<u>687,863</u>	<u>536,102</u>
<b>NET ASSETS</b>		<u><u>7,448,543</u></u>	<u><u>6,327,118</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	22	1,000	1,000
Retained earnings	23	<u>7,447,543</u>	<u>6,326,118</u>
<b>SHAREHOLDERS' FUNDS</b>		<u><u>7,448,543</u></u>	<u><u>6,327,118</u></u>

The financial statements were approved by the Board of Directors and authorised for issue on 13.12.2023 and were signed on its behalf by:


  
A C Harrison - Director

The notes form part of these financial statements

COMPANY BALANCE SHEET  
31 DECEMBER 2022

	Notes	31.12.22 £	31.12.21 £
<b>FIXED ASSETS</b>			
Intangible assets	14	-	-
Tangible assets	15	-	-
Investments	16	6,184,998	6,184,998
		<u>6,184,998</u>	<u>6,184,998</u>
<b>CURRENT ASSETS</b>			
Debtors	18	2,143,314	1,363,367
Cash at bank		19,700	268,035
		<u>2,163,014</u>	<u>1,631,404</u>
<b>CREDITORS</b>			
Amounts falling due within one year	19	561,248	177,992
		<u>561,248</u>	<u>177,992</u>
<b>NET CURRENT ASSETS</b>		<u>1,601,766</u>	<u>1,453,412</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u><u>7,786,764</u></u>	<u><u>7,638,410</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	22	1,000	1,000
Retained earnings	23	7,785,764	7,637,410
		<u>7,786,764</u>	<u>7,638,410</u>
<b>SHAREHOLDERS' FUNDS</b>		<u><u>7,786,764</u></u>	<u><u>7,638,410</u></u>
Company's profit for the financial year		<u>148,354</u>	<u>1,262,815</u>

The financial statements were approved by the Board of Directors and authorised for issue on 13.12.2023 and were signed on its behalf by:

  
A C Harrison - Director

LIFTING GEAR UK GROUP LIMITED (REGISTERED NUMBER: 10046388)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2022

	Called up share capital £	Retained earnings £	Total equity £
<b>Balance at 1 November 2020</b>	1,000	5,447,300	5,448,300
<b>Changes in equity</b>			
Dividends	-	(323,973)	(323,973)
Total comprehensive income	-	1,202,791	1,202,791
<b>Balance at 31 December 2021</b>	<u>1,000</u>	<u>6,326,118</u>	<u>6,327,118</u>
<b>Changes in equity</b>			
Total comprehensive income	-	1,121,425	1,121,425
<b>Balance at 31 December 2022</b>	<u>1,000</u>	<u>7,447,543</u>	<u>7,448,543</u>

The notes form part of these financial statements

LIFTING GEAR UK GROUP LIMITED (REGISTERED NUMBER: 10046388)

COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2022

	Called up share capital £	Retained earnings £	Total equity £
<b>Balance at 1 November 2020</b>	1,000	6,698,568	6,699,568
<b>Changes in equity</b>			
Dividends	-	(323,973)	(323,973)
Total comprehensive income	-	1,262,815	1,262,815
<b>Balance at 31 December 2021</b>	<u>1,000</u>	<u>7,637,410</u>	<u>7,638,410</u>
<b>Changes in equity</b>			
Total comprehensive income	-	148,354	148,354
<b>Balance at 31 December 2022</b>	<u>1,000</u>	<u>7,785,764</u>	<u>7,786,764</u>

The notes form part of these financial statements

**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2022**

		Year Ended 31.12.22 £	Period 1.11.20 to 31.12.21 £
	Notes		
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	1,714,848	2,554,469
Interest paid		(12,080)	(56,799)
Interest element of hire purchase or finance lease rental payments paid		-	(176,894)
Tax paid		-	(347,276)
Net cash from operating activities		<u>1,702,768</u>	<u>1,973,500</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(1,194,320)	(279,507)
Sale of tangible fixed assets		65,027	376,274
Interest received		26,080	18,984
Net cash from investing activities		<u>(1,103,213)</u>	<u>115,751</u>
<b>Cash flows from financing activities</b>			
Loan repayments in year		-	(1,413,346)
Amounts loaned to parent undertaking		(221,080)	(283,920)
Hire purchase capital repayments in year		-	(1,670,438)
Amount introduced by directors		-	1,767,901
Amount withdrawn by directors		-	(1,462,078)
Equity dividends paid		-	(323,973)
Net cash from financing activities		<u>(221,080)</u>	<u>(3,385,854)</u>
<b>Increase/(decrease) in cash and cash equivalents</b>		<u>378,475</u>	<u>(1,296,603)</u>
<b>Cash and cash equivalents at beginning of year</b>	2	<u>331,721</u>	<u>1,628,324</u>
<b>Cash and cash equivalents at end of year</b>	2	<u><u>710,196</u></u>	<u><u>331,721</u></u>

The notes form part of these financial statements

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	Year Ended 31.12.22 £	Period 1.11.20 to 31.12.21 £
Profit before taxation	1,399,384	1,688,904
Depreciation charges	768,622	876,859
Profit on disposal of fixed assets	(4,325)	(136,096)
Finance costs	12,080	233,693
Finance income	(26,080)	(18,984)
	<u>2,149,681</u>	<u>2,644,376</u>
Increase in stocks	(53,086)	(12,738)
Increase in trade and other debtors	(522,715)	(275,865)
Increase in trade and other creditors	140,968	198,696
	<u>1,714,848</u>	<u>2,554,469</u>
<b>Cash generated from operations</b>	<u>1,714,848</u>	<u>2,554,469</u>

**2. CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

**Year ended 31 December 2022**

	31.12.22 £	1.11.22 £
Cash and cash equivalents	<u>710,196</u>	<u>331,721</u>

**Period ended 31 December 2021**

	31.12.21 £	1.11.20 £
Cash and cash equivalents	<u>331,721</u>	<u>1,628,324</u>

**3. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.11.22 £	Cash flow £	At 31.12.22 £
<b>Net cash</b>			
Cash at bank and in hand	331,721	378,475	710,196
	<u>331,721</u>	<u>378,475</u>	<u>710,196</u>
<b>Total</b>	<u>331,721</u>	<u>378,475</u>	<u>710,196</u>

The notes form part of these financial statements



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**1. STATUTORY INFORMATION**

Lifting Gear UK Group Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

**2. STATEMENT OF COMPLIANCE**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006.

**3. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements have been prepared under the historic cost convention, modified to include certain items at fair value.

The financial statements are presented in Sterling (£).

The group financial statements consolidate the financial statements of Lifting Gear UK Group Limited and all its subsidiary undertakings for the period ended 31 December 2022.

In preparing its individual financial statements, which are presented alongside the consolidated financial statements, Lifting Gear UK Group Limited has taken advantage of the disclosure exemptions available in respect of the presentation of a cash flow statement.

**Going concern**

After reviewing the group's forecasts and projections, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The group therefore continues to adopt the going concern basis in preparing its financial statements.

**Basis of consolidation**

The results of subsidiaries acquired or sold are consolidated from or to the date on which control passes. On consolidation, all intra-group transactions and balances are eliminated in full.

Business combinations are accounted for using the purchase method. The consideration in respect of the business combination is measured at the aggregate of the fair values of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the subsidiary undertaking.

**Investments**

In the company balance sheet, the cost of investment in subsidiaries is measured at the fair value of all consideration given, at the date the investment is made.

**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 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 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.

**Intangible assets - goodwill**

Goodwill arising on consolidation is amortised over its estimated useful economic life of 20 years. Provision is made for any impairment.

Purchased goodwill is amortised over its estimated useful economic life of 10 years. Provision is made for any impairment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2022

3. ACCOUNTING POLICIES - continued

**Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life, using rates between 5% and 90%.

**Government grants**

Government grants are recognised at the amount received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them. Grants are accounted for under the accrual model.

**Stocks**

Stock is valued at the lower of cost and net realisable value. Cost is calculated by reference to the most recent purchase price.

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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.

**Impairment**

**At each reporting date** fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in the income statement.

If an impairment loss subsequently reverses, the carry amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the income statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2022

3. ACCOUNTING POLICIES - continued

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**Pension costs and other post-retirement benefits**

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to profit or loss in the period to which they relate.

**Research and development**

Expenditure on research and development is written off in the year in which it is incurred.

**Trade and other debtors**

Trade and other debtors are initially recognised at the transaction price and thereafter stated at amortised cost using the effective interest method, less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less impairment losses for bad and doubtful debts.

**Trade and other creditors**

Trade and other creditors are initially recognised at the transaction price and are thereafter stated at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount 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 period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The following are considered the significant areas of judgements, estimates or assumptions in the financial statements.

**Useful economic life and residual value of tangible fixed assets**

The useful life of tangible fixed assets are judged at the point the expenditure is incurred and then re-assessed at each reporting date. The residual values are assessed on the same basis. Judgements are based upon management's experience of the industry and their knowledge of the demand for, and market price of, second hand assets.

**Useful economic life of intangible fixed assets**

The group establishes a reliable estimate of the useful life of goodwill arising on business combinations. This estimate is based on a variety of factors such as the expected use of the acquired business, the expected useful life of cash generating units to which the goodwill is attributed, any legal, regulatory or contractual provisions that can limit useful life and assumptions that market participants would consider in respect of similar businesses.

LIFTING GEAR UK GROUP LIMITED (REGISTERED NUMBER: 10046388)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2022

5. **TURNOVER**

The turnover and profit before taxation are attributable to the principal activities of the group.

An analysis of turnover by class of business is given below:

	Year Ended 31.12.22	Period 1.11.20 to 31.12.21
	£	£
Rendering of services	8,533,899	8,518,564
Sale of goods	2,851,999	2,864,020
	<u>11,385,898</u>	<u>11,382,584</u>

Other than sales amounting to £11,000 (2021 : £52,549), all of the group's sales were made to UK customers.

6. **OTHER OPERATING INCOME**

	Year Ended 31.12.22	Period 1.11.20 to 31.12.21
	£	£
Government grants	-	113,202

Government grant income of £113,202 in the prior year included £91,985 in respect of claims made under the Coronavirus Job Retention Scheme and £21,217 in respect of Business Interruption Payments to cover interest charges on a loan obtained under the Coronavirus Business Interruption Loan Scheme.

7. **EMPLOYEES AND DIRECTORS**

	Year Ended 31.12.22	Period 1.11.20 to 31.12.21
	£	£
Wages and salaries	3,724,112	3,487,974

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

	Year Ended 31.12.22	Period 1.11.20 to 31.12.21
Operational	82	74
Administrative	22	18
	<u>104</u>	<u>92</u>

Wages and salaries cost include £338,028 (2021 : £285,387) in respect of social security costs and £65,302 (2021 : £156,707) in respect of employers pension contributions.

8. **DIRECTORS' EMOLUMENTS**

The directors total remuneration from group companies in the period was £97,681 (2021 : £116,006). This included social security costs of £11,450 (2021 : £9,340)

In addition, the group made pension contributions of £1,320 (2021 - £101,533) in respect of directors who held office during the period. At both the current and previous period end dates, there was one serving director for whom pension benefits continue to accrue in money purchase schemes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2022

## 9. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	Year Ended 31.12.22	Period 1.11.20 to 31.12.21
	£	£
Depreciation - owned assets	576,580	652,813
Profit on disposal of fixed assets	(4,325)	(136,096)
Goodwill amortisation	192,039	224,046
Auditors' remuneration	26,785	21,824
	<u>          </u>	<u>          </u>

## 10. INTEREST PAYABLE AND SIMILAR EXPENSES

	Year Ended 31.12.22	Period 1.11.20 to 31.12.21
	£	£
Bank loan interest and fees	-	48,634
Other interest	12,080	8,165
Hire purchase	-	176,894
	<u>          </u>	<u>          </u>
	12,080	233,693
	<u>          </u>	<u>          </u>

## 11. TAXATION

**Analysis of the tax charge**

The tax charge on the profit for the year was as follows:

	Year Ended 31.12.22	Period 1.11.20 to 31.12.21
	£	£
Current tax:		
UK corporation tax	126,198	317,615
Over provided in prior year	-	4,143
	<u>          </u>	<u>          </u>
Total current tax	126,198	321,758
Deferred tax	151,761	164,355
	<u>          </u>	<u>          </u>
Tax on profit	277,959	486,113
	<u>          </u>	<u>          </u>

UK corporation tax has been charged at 19% (2021 - 19%).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2022

## 11. TAXATION - continued

**Reconciliation of total tax charge included in profit and loss**

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	Year Ended 31.12.22 £	Period 1.11.20 to 31.12.21 £
Profit before tax	<u>1,399,384</u>	<u>1,688,904</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%)	265,883	320,892
Effects of:		
Expenses not deductible for tax purposes	37,223	51,035
Capital allowances in excess of depreciation	(176,908)	(54,312)
Adjustments to tax charge in respect of previous periods	-	4,143
enhanced tax relief		
development enhanced tax		
Deferred tax	<u>151,761</u>	<u>164,355</u>
Total tax charge	<u>277,959</u>	<u>486,113</u>

**Future tax charges**

The rate of corporation tax increased from 19% to 25% on 1 April 2023. From the same date a small companies' rate of 19% was introduced for companies' with profits of £50,000 or less. The main rate applies to companies with profits over £250,000 and marginal relief will apply to for profits in between the thresholds

## 12. INDIVIDUAL STATEMENT OF COMPREHENSIVE INCOME

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

## 13. DIVIDENDS

No dividends were paid in the year. In the prior period, the total distribution of dividends was £323,973.

## 14. INTANGIBLE FIXED ASSETS

<b>Group</b>	<b>Goodwill £</b>
<b>COST</b>	
At 1 January 2022	
and 31 December 2022	<u>3,822,772</u>
<b>AMORTISATION</b>	
At 1 January 2022	1,077,594
Amortisation for year	<u>192,039</u>
At 31 December 2022	<u>1,269,633</u>
<b>NET BOOK VALUE</b>	
At 31 December 2022	<u>2,553,139</u>
At 31 December 2021	<u>2,745,178</u>

LIFTING GEAR UK GROUP LIMITED (REGISTERED NUMBER: 10046388)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2022

14. INTANGIBLE FIXED ASSETS - continued

Group

The net book value of goodwill as at 31 October 2022 includes £2,544,439 (2021 : £2,734,678) in respect of goodwill arising on consolidation.

15. TANGIBLE FIXED ASSETS

Group

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>					
At 1 January 2022	3,408,243	575,173	371,970	131,845	4,487,231
Additions	777,618	54,631	304,065	58,006	1,194,320
Disposals	(128,649)	(6,635)	(22,018)	-	(157,302)
At 31 December 2022	4,057,212	623,169	654,017	189,851	5,524,249
<b>DEPRECIATION</b>					
At 1 January 2022	1,657,063	279,243	118,096	94,675	2,149,077
Charge for year	407,887	50,344	102,500	15,849	576,580
Eliminated on disposal	(76,749)	(5,164)	(14,687)	-	(96,600)
At 31 December 2022	1,988,201	324,423	205,909	110,524	2,629,057
<b>NET BOOK VALUE</b>					
At 31 December 2022	2,069,011	298,746	448,108	79,327	2,895,192
At 31 December 2021	1,751,180	295,930	253,874	37,170	2,338,154

No assets were held under Hire Purchase agreements at either the current or prior period ends.

16. FIXED ASSET INVESTMENTS

Company

	Shares in group undertakings £
<b>COST</b>	
At 1 January 2022 and 31 December 2022	6,184,998
<b>NET BOOK VALUE</b>	
At 31 December 2022	6,184,998
At 31 December 2021	6,184,998

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

Subsidiaries

Lifting Gear UK (Holdings) Limited

Registered office: Unit 1D Maple Court, White Moss Business Park, Skelmersdale, Lancashire, WN8 9TW

Nature of business: Hire and sale of lifting and handling equipment

Class of shares: % holding  
Ordinary 100.00

**LIFTING GEAR UK GROUP LIMITED (REGISTERED NUMBER: 10046388)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**16. FIXED ASSET INVESTMENTS - continued**

**Lifting Gear UK (Asset Management) Limited**

Registered office: Unit 1D Maple Court, White Moss Business Park, Skelmersdale, Lancashire, WN8 9TW

Nature of business: Hire and sale of lifting and handling equipment

%

Class of shares:	holding
Ordinary	100.00

This company is held as a 100% subsidiary of Lifting Gear UK (Holdings) Limited.

**Lifting Projects UK Limited**

Registered office: Unit 1D Maple Court, White Moss Business Park, Skelmersdale, Lancashire, WN8 9TW

Nature of business: Hire and sale of heavy lifting equipment

%

Class of shares:	holding
Ordinary	100.00

This company is held as a 100% subsidiary of Lifting Gear UK (Asset Management) Limited.

**Lifting Gear UK Limited**

Registered office: Unit 1D Maple Court, White Moss Business Park, Skelmersdale, Lancashire, WN8 9TW

Nature of business: Hire and sale of lifting and handling equipment

%

Class of shares:	holding
Ordinary	100.00

This company is held as a 100% subsidiary of Lifting Gear UK (Asset Management) Limited.

**Steelwise Fabrications & Eng. Services Limited**

Registered office: Unit 1D Maple Court, White Moss Business Park, Skelmersdale, Lancashire, WN8 9TW

Nature of business: Dormant company

%

Class of shares:	holding
Ordinary	100.00

This company is held as a 100% subsidiary of Lifting Projects UK Limited.

**Lifting Gear Training UK Limited**

Registered office: Unit 1D Maple Court, White Moss Business Park, Skelmersdale, Lancashire, WN8 9TW

Nature of business: Dormant company

%

Class of shares:	holding
Ordinary	100.00

This company is held as a 100% subsidiary of Lifting Gear UK (Asset Management) Limited

For the year ended 31 December 2022, the following subsidiaries of the company were entitled to exemption from audit under S479A of the Companies Act 2006 relating to subsidiary companies :

Lifting Gear UK (Holdings) Limited - company number 08643930

Lifting Gear UK (Asset Management) Limited - company number 06416624

Lifting Projects UK Limited - company number 09158962

Lifting Gear UK Limited - company number 09245302



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2022

## 17. STOCKS

	Group	
	31.12.22	31.12.21
	£	£
Stocks	<u>308,750</u>	<u>255,664</u>

No provisions for obsolete or slow-moving stock were required.

## 18. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31.12.22	31.12.21	31.12.22	31.12.21
	£	£	£	£
Trade debtors	2,625,799	2,203,291	-	131,639
Amounts owed by group undertakings	505,000	283,920	2,009,077	1,074,580
Other debtors	39,108	25,519	134,237	157,150
Prepayments and accrued income	285,420	198,802	-	-
	<u>3,455,327</u>	<u>2,711,532</u>	<u>2,143,314</u>	<u>1,363,369</u>

## 19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31.12.22	31.12.21	31.12.22	31.12.21
	£	£	£	£
Trade creditors	906,245	626,917	32	32
Amounts owed to group undertakings	-	-	502,866	-
Tax	327,142	200,951	38,626	3,778
Social security and other taxes	319,675	265,454	15,569	20,910
Other creditors	9,347	179,022	-	152,117
Accruals and deferred income	223,789	246,685	4,155	1,155
	<u>1,786,198</u>	<u>1,519,029</u>	<u>561,248</u>	<u>177,992</u>

## 20. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

## Group

	Non-cancellable operating leases	
	31.12.22	31.12.21
	£	£
Within one year	594,119	563,689
Between one and five years	1,183,872	1,081,563
In more than five years	6,313	33,032
	<u>1,784,304</u>	<u>1,678,284</u>

## Company

	Non-cancellable operating leases	
	31.12.22	31.12.21
	£	£
Within one year	38,124	30,731
Between one and five years	78,306	36,402
	<u>116,430</u>	<u>67,133</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2022

## 21. PROVISIONS FOR LIABILITIES

	Group	
	31.12.22	31.12.21
	£	£
Deferred tax	<u>687,863</u>	<u>536,102</u>
<b>Group</b>		
		Deferred tax
		£
Balance at 1 January 2022		536,102
Charge to Statement of Comprehensive Income during year		<u>151,761</u>
Balance at 31 December 2022		<u>687,863</u>

The deferred tax provision relates entirely to accelerated capital allowances.

## 22. CALLED UP SHARE CAPITAL

The company's share capital consisted of 1,000 ordinary £1 shares at both the current and previous period ends.

All ordinary shares have full voting rights, the right to receive dividends and the right to participate in a distribution, including on a winding up.

## 23. RESERVES

Retained earnings include the group's cumulative profits, net of dividends paid.

## 24. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

There were no overdrawn directors' current accounts in the year

## 25. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group

Transactions between group entities which have been eliminated on consolidation are not disclosed within the financial statements.

During the period, total dividends of £nil (2021 : £305,823) were paid to previous directors.

## 26. POST BALANCE SHEET EVENTS

Since the period end date, the company has declared a dividend of £200,000.

## 27. ULTIMATE CONTROLLING PARTY

The immediate parent undertaking is Axel Johnson International AB. The ultimate parent undertaking and ultimate controlling party is Axel Johnson AB.