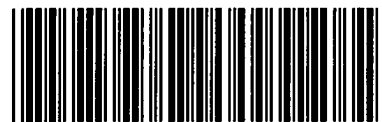


J.C.B. Sales Limited
Directors' Report and Financial Statements
for the year ended 31 December 2022

Registered number 00792807

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J.C.B. Sales Limited

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J.C.B. Sales Limited

Directors and advisors

Directors

G A Macdonald
M Bersellini
T J Burnhope

Company secretary

S E R Ovens

Independent auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
1 Hardman Square
Manchester
M3 3EB

Solicitors

Slaughter & May
1 Bunhill Row
London
EC1Y 8YY

Banks

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PO Box 3333
One Snowhill
Snow Hill Queensway
Birmingham
B3 2WN

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4th Floor
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Citibank NA
Canada Square
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E14 5LB

Registered office

Lakeside Works
Rocester
Staffordshire
ST14 5JP

Registered number

00792807

J.C.B. Sales Limited

Strategic report for the year ended 31 December 2022

The directors present their strategic report on the company for the year ended 31 December 2022.

Principal activities

The principal activity of J.C.B. Sales Limited is the selling and marketing of products manufactured by the J.C.B. Service group as an agent, on which it earns commission, or as principal. The company also operates the sales ledger in respect of machine sales for most UK-based J.C.B. Service group companies.

Review of business and future developments

The global 2022 market for construction and agricultural equipment declined by 9% vs 2021, although of note the decline peaked around the March/April period, with a period of sustained improvement in H2, with Q4 largely flat vs 2021. Driven by a substantial Covid related economic slowdown in China, the Chinese markets have been the dominant negative influence at -44%, turning what would otherwise have been a 4% growth into the aforementioned 9% decline. Within the European market including the UK, and despite the energy price crisis due to the Ukraine/Russia conflict, high inflation and rapidly rising interest rates, the European and UK markets have performed better than many expected growing by 6% and 3% respectively. The North American market, having comfortably regained the status of the world's largest construction equipment market from China, remained remarkably stable and finished the year on a rising trend with 2% full year growth. The Indian market, having suffered weakness early in 2022, strengthened and grew versus 2021 through H2 closing the year with only a 2% decline. Other markets where there was notable growth includes the Middle East & Turkey with 36% growth, Mexico with 49% growth and Asia & Pacific with 22%. Market declines included Russia at 20% and North Africa at 19%.

The company's turnover continued to grow with an increase of over 26% from £127.6m in 2021 to £160.8m in 2022. While overhead expenditure has been controlled in the year, the company has made an operating loss of £28.7m (2021: profit of £32.4m) mainly due to foreign currency losses of £58.2m (2021: gains of £8.5m). The net cash position remains healthy at £202.2m (2021: £91.5m) and the company ended 2022 with net liabilities of £20.2m (2021: net assets of £22.6m).

Going concern

The directors have prepared a cash flow forecast for the company for a period of at least 12 months from the date of signing these financial statements. The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of J.C.B. Service. The directors have received confirmation that J.C.B. Service intends to support the company for at least one year from the date of approval of these financial statements. The J.C.B. Service financial statements have been prepared on a going concern basis.

Principal risks and uncertainties

The principal risk facing J.C.B. Sales Limited is the cyclical nature of the industry as a whole which, in broad terms, tracks the global economic cycle. To manage this risk, J.C.B. Sales Limited addresses a spectrum of regional markets and product sectors.

Other key risks monitored by the executive management team are the competitive environment, protection of intellectual property, availability of key raw materials, changing regulations and macroeconomic factors such as cyber security, terrorism, natural disaster and infectious disease. Executive management monitors these on a regular basis and has plans in place to mitigate these risks.

Financial risk management

The company's operations expose it to a variety of risks that include credit risk, liquidity risk and exchange rate risk. The company has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the company.

Credit risk

J.C.B. Sales Limited's principal financial assets are bank balances, trade, group and other receivables. The credit risk is primarily attributable to its trade receivables with potential recoverability issues mitigated by credit insurance. The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings by international credit rating agencies. J.C.B. Sales Limited has no significant concentration of external credit risk, with exposure spread over a number of counterparties.

J.C.B. Sales Limited

Strategic report for the year ended 31 December 2022 (continued)

Financial risk management (continued)

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, J.C.B. Sales Limited uses a mixture of short term facilities and invoice discounting. Adequate facilities are available to support the company's business for at least 12 months beyond the date of this report.

Exchange rate risk

As part of its normal operating activities, the company hedges exchange rate exposure on foreign currency transactions, mainly those relating to sales, where a significant proportion thereof are invoiced in foreign currencies. It is the company's policy to reduce this exposure through the use of forward currency contracts. The aggregate fair value of forward currency contracts outstanding at 31 December 2022 was a net liability of £19.2 million (2021: net asset of £2.6 million).

Key performance indicators (KPIs)

J.C.B. Sales Limited uses a range of financial and non-financial indicators to monitor performance.

Financial measures are turnover and operating (loss)/profit:

	2022 £'000	2021 as restated £'000
Turnover	160,848	127,590
Operating (loss)/profit	(28,707)	32,442

Non-financial indicators include operational statistics, health and safety measures and environmental factors.

J.C.B. Sales Limited

Strategic report for the year ended 31 December 2022 (continued)

Section 172(1) statement

The directors satisfy their duty to promote the long-term success of the company whilst having regard to the matters and stakeholders described in Section 172, points (a) to (f) of the Companies Act 2006 through the adherence to its Corporate Governance framework. The ultimate long-term success of the company is dependent upon the efforts of its stakeholders, including employees, suppliers and customers, and the directors take into consideration the interests of these stakeholders when making decisions.

Employees

The directors consider the interests of employees when making decisions through regular consultation where both important information is provided and feedback is obtained. The directors have a strong and collaborative working relationship with employees and engage closely with the employees on key decisions.

Suppliers and customers

The group develops innovative new products that are designed to meet global customer's needs and J.C.B. Sales sells and markets these products. This requires a close relationship with customers who provide valuable feedback, which the directors use when making decisions regarding the direction of product development. New product development requires new components and regular discussions with suppliers help drive the direction of sourcing decisions made by the directors. Regular meetings and conferences with customers and suppliers facilitate this process.

Community and the environment

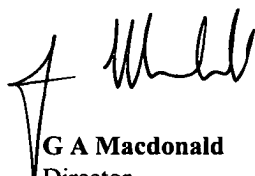
The company's strategy for environmental sustainability covers six core work streams - alternative fuels and product efficiency; waste reduction; use of recycled materials; carbon reduction in the logistics and manufacturing operations; removal of single use plastics; and culture and behaviour change. Achieving these core work streams drives the decision making of the directors who are committed to delivering a reduction in carbon emissions from the business.

In the UK, JCB supports the community in many ways, particularly in education. JCB is committed to developing the next generation of engineering and manufacturing talent.

Business conduct

The company maintains a strict code of conduct to promote and maintain high standards of business conduct and to ensure it acts fairly towards its various stakeholders. The company's supplier code of conduct, health and wellbeing policy and other documents are published on the JCB website.

Approved on behalf of the board



G A Macdonald
Director

9 June 2023

J.C.B. Sales Limited

Directors' report for the year ended 31 December 2022

The directors present their report and the audited financial statements for the year ended 31 December 2022.

Future developments

Details of anticipated future developments in the company's business have been provided in the strategic report; see pages 2 to 4 for further information.

Dividends

The directors do not propose the payment of a dividend (2021: £nil).

Statutory records

The company is a privately held company, limited by shares, and incorporated in the UK. Its company registration number is 00792807.

Directors

The directors who held office during the year and up to the date of approving the financial statements are given below:

G A Macdonald
M Bersellini
T J Burnhope

Directors indemnity insurance

The company purchases qualifying third party indemnity insurance for directors and officers of the company which gives appropriate cover for any legal action brought against them in their capacity as directors or officers. The company also provides indemnity for its directors (to the extent permitted by law) in respect of liabilities which could occur as a result of their office. This indemnity does not provide cover should a director be proved to have acted fraudulently or dishonestly. This indemnity was in place throughout the financial year, and at the date of approval.

Employees

The directors acknowledge the need to encourage employee involvement in the improvement of the company's performance by supplying information on matters of importance through regular consultation with employees. Information is provided by various means, including audio-visual presentations, company newspapers and information bulletins. There is also an annual review of the company's financial and economic performance, which is presented to all employees. Employees are encouraged to participate in local schemes designed to improve performance in the areas in which they work.

The company discharges, equitably, its statutory and social duties in respect of the Equality Act 2010 and all other employment equality regulations with supporting policies. Full and fair consideration is given to applications for employment who experience disabilities. For those employees experiencing disabilities during the course of their employment, every effort is made, whether through reasonable workplace adjustments, training or redeployment, to provide an opportunity for them to remain with the company.

Stakeholder engagement

The company maintains a close relationship with customers who provide valuable feedback, critical for developing innovative new products that are designed to meet global customer's needs. Regular discussions with suppliers help drive the direction of sourcing decisions made by the directors. Regular meetings and conferences with customers and suppliers facilitate this process. Regarding the environment, the company's strategy for environmental sustainability covers six core work streams - alternative fuels and product efficiency; waste reduction; use of recycled materials; carbon reduction in the logistics and manufacturing operations; removal of single use plastics; and culture and behaviour change. Achieving these core work streams drives the decision making of the directors who are committed to delivering a reduction in carbon emissions from the business.

J.C.B. Sales Limited

Directors' report for the year ended 31 December 2022 (continued)

Matters disclosed elsewhere within the financial statements

Required disclosures in relation to the company's principal activity, key performance indicators, business review, principal risks and uncertainties and financial risk management have been included within the company's Strategic Report on pages 2 to 4 of these financial statements.

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors 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.

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.

Directors' confirmations

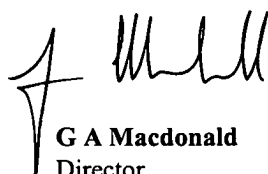
In the case of each director in office at the date the Directors' Report is approved:

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

Independent Auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office. Elective resolutions are currently in force to dispense with holding annual general meetings, the laying of financial statements before the company in general meetings and the appointment of auditors annually. Pursuant to section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and PricewaterhouseCoopers LLP will therefore continue in office.

Approved on behalf of the board



G A Macdonald
Director

9 June 2023

J.C.B. Sales Limited

Independent auditors' report to the members of J.C.B. Sales Limited

Report on the audit of the financial statements

Opinion

In our opinion, J.C.B. Sales Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Directors' Report and Financial Statements (the "Annual Report"), which comprise: the Balance sheet as at 31 December 2022; the Profit and loss account, the Statement of comprehensive income and the Statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

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

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

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

Reporting on other information

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

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

J.C.B. Sales Limited

Independent auditors' report to the members of J.C.B. Sales Limited (continued)

Reporting on other information (continued)

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

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

Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 December 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

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

J.C.B. Sales Limited

Independent auditors' report to the members of J.C.B. Sales Limited (continued)

Auditors' responsibilities for the audit of the financial statements (continued)

- discussions with management, internal audit and the in-house legal team including consideration of known or suspected instances of non-compliance with laws and regulation or fraud;
- reviewing internal audit reports;
- reviewing relevant meeting minutes, including those of the Board of Directors;
- auditing the tax computations to ensure compliance with tax legislation;
- challenging assumptions and judgements made by management in their significant accounting estimates (because of the risk of management bias);
- auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, testing accounting estimates and evaluating the business rationale of significant transactions outside the normal course of business; and
- designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of this report

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

Other required reporting

Companies Act 2006 exception reporting

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

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

We have no exceptions to report arising from this responsibility.



Graham Parsons (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

Manchester

9 June 2023

J.C.B. Sales Limited

Profit and loss account for the year ended 31 December 2022

	Note	2022 £'000	2021 as restated £'000
Turnover	5	160,848	127,590
Cost of sales		(63,242)	(43,498)
Gross profit		97,606	84,092
Administrative expenses		(126,313)	(51,650)
Operating (loss)/profit	6	(28,707)	32,442
Investment income	7	9,710	-
Finance costs	10	(12,341)	(7,232)
(Loss)/profit before taxation		(31,338)	25,210
Tax on (loss)/profit	11	4,941	(3,409)
(Loss)/profit for the financial year		(26,397)	21,801

All activities are derived from continuing operations.

Statement of comprehensive income for the year ended 31 December 2022

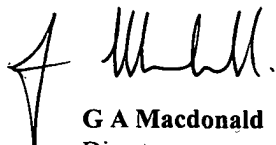
	Note	2022 £'000	2021 £'000
(Loss)/profit for the financial year		(26,397)	21,801
Change in value of hedging instruments:			
Loss arising during the year		(48,574)	(3,379)
Reclassified from/(to) profit and loss account		26,736	(7,829)
Movement on deferred tax relating to hedging adjustments	15	5,459	2,352
Other comprehensive expense		(16,379)	(8,856)
Total comprehensive (expense)/income for the year		(42,776)	12,945

J.C.B. Sales Limited

Balance sheet as at 31 December 2022

	Note	2022 £'000	2021 £'000
Fixed assets			
Tangible assets	12	5,610	4,761
Investments	13	2,874	2,874
		8,484	7,635
Current assets			
Stocks	14	7,135	4,955
Debtors	15	497,897	338,826
Cash and cash equivalents		309,738	137,451
		814,770	481,232
Creditors: amounts falling due within one year	16	(837,266)	(464,125)
Net current (liabilities)/assets		(22,496)	17,107
Total assets less current liabilities		(14,012)	24,742
Creditors: amounts falling due after more than one year	17	(6,177)	(2,155)
Net (liabilities)/assets		(20,189)	22,587
Capital and reserves			
Called up share capital	21	-	-
Share premium account	22	50,000	50,000
Other reserves	22	(13,751)	2,628
Accumulated losses	22	(56,438)	(30,041)
Total shareholders (deficit)/funds		(20,189)	22,587

The financial statements on pages 10 to 25 were approved by the board of directors on 9 June 2023 and were signed on its behalf by:


G A Macdonald
Director

Registered Number: 00792807

J.C.B. Sales Limited

Statement of changes in equity for the year ended 31 December 2022

	Called up share capital	Share premium	Other reserves	Accumulated losses	Total shareholder's funds/ (deficit)
	£'000	£'000	£'000	£'000	£'000
Balance as at 1 January 2021	-	50,000	11,484	(51,842)	9,642
Profit for the financial year	-	-	-	21,801	21,801
Other comprehensive expense for the year	-	-	(8,856)	-	(8,856)
Total comprehensive income for the year	-	-	(8,856)	21,801	12,945
Balance as at 31 December 2021	-	50,000	2,628	(30,041)	22,587
Loss for the financial year	-	-	-	(26,397)	(26,397)
Other comprehensive expense for the year	-	-	(16,379)	-	(16,379)
Total comprehensive expense for the year	-	-	(16,379)	(26,397)	(42,776)
Balance as at 31 December 2022	-	50,000	(13,751)	(56,438)	(20,189)

J.C.B. Sales Limited

Notes to the financial statements for the year ended 31 December 2022

1. General information

The principal activity of J.C.B. Sales Limited is the selling and marketing of products manufactured by the J.C.B. Service group as an agent, on which it earns commission, or as principal. The company also operates the sales ledger in respect of machine sales for most UK-based J.C.B. Service group and non-group companies.

The company is a privately held company, limited by shares and incorporated, registered and domiciled in England, UK. The address of its registered office is Lakeside Works, Rocester, Staffordshire, ST14 5JP.

2. Statement of compliance

The financial statements of J.C.B. Sales Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006, under the provision of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410).

The company is a wholly-owned subsidiary of J.C.B. Service and is included in the consolidated financial statements of J.C.B. Service, which are publicly available. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 102. The company is also exempt under the terms of FRS 102 from disclosing related party transactions with entities that are part of the J.C.B. Service group or investees of the J.C.B. Service group. The company has taken advantage of the exemption from disclosing total compensation to key management personnel under paragraph 33.7 of FRS 102. The company has also taken the exemption in respect of certain financial instrument disclosures as allowed by FRS 102. For details of other related party transactions see note 23.

The financial statements contain information about J.C.B. Sales Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, J.C.B. Service.

3. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Principal accounting policies

The financial statements have been prepared under the historical cost convention, on the going concern basis, and in accordance with the Companies Act 2006 as modified by certain financial assets and liabilities measured at fair value through profit or loss.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

Going concern

The directors have prepared a cash flow forecast for the company for a period of at least 12 months from the date of signing these financial statements. The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of J.C.B. Service. The directors have received confirmation that J.C.B. Service intends to support the company for at least one year from the date of approval of these financial statements. The J.C.B. Service financial statements have been prepared on a going concern basis.

J.C.B. Sales Limited

Notes to the financial statements for the year ended 31 December 2022 (continued)

3. Summary of significant accounting policies (continued)

Turnover recognition

Turnover is measured at the fair value of the consideration received or receivable and represents the amount receivable for goods supplied or services rendered to customers outside of the company, excluding VAT and sales taxes and net of sales incentives. The company recognises turnover from sales of products, normally on an ex works basis for machines and on despatch for parts. Commissions earned on sales where the company acts as an agent are also recognised on an ex-works basis.

Interest income is recognised using the effective interest rate method. Dividend income is recognised when the right to receive payment is established.

Sales incentives

Provisions are made for sales incentives where a legal or constructive obligation exists as at the balance sheet date. Provisions are recognised based on the directors' best estimate of amounts to be paid, taking into account specific customer agreements, historical trends and market factors in the geographies in which the Company operates. Provisions are included within accruals and deferred income and are offset against revenue in the profit and loss account.

Foreign currency

The company's functional and presentational currency is the pound sterling. Therefore these financial statements are presented in pound sterling and have been rounded to the nearest thousand pounds. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences on exchange are taken to the profit and loss account.

Employee benefits

Post-employment benefits for eligible employees are primarily provided by two defined benefit schemes which are funded by contributions from the company and employees into separately administered trust funds. The company is unable to identify its share of the underlying assets and liabilities of these schemes. As a result, the company accounts for contributions to the schemes as if they were defined contribution schemes by charging them to the profit and loss account as incurred. Full details of the defined benefit scheme can be found in the financial statements of J.C.B. Service which are publicly available.

The defined benefit schemes are closed to new entrants and have been replaced by a stakeholder scheme which is a defined contribution scheme. Post-employment costs relating to defined contribution arrangements are charged to the profit and loss account as incurred. The assets of the scheme are held in an independently administered fund.

Taxation

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Deferred taxation 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.

Deferred tax assets are regarded as recoverable and recognised in the financial statements when, on the basis of available evidence, it is more likely than not that there will be suitable taxable profits from which the future reversal of the timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates that have been enacted or substantially enacted at the balance sheet date.

The deferred tax assets and liabilities are not discounted.

J.C.B. Sales Limited

Notes to the financial statements for the year ended 31 December 2022 (continued)

3. Summary of significant accounting policies (continued)

Tangible fixed assets

The cost of tangible assets is their purchase cost, together with any incidental costs of acquisition. Depreciation is calculated so as to write off the original cost by equal annual instalments over the expected useful economic lives of the assets concerned, other than freehold land and assets in the course of construction which are not depreciated.

The principal rates used are:

Plant and machinery	20%
Fixtures, fittings and office equipment	10 – 33.33%
Motor vehicles	20 – 25%

Additional depreciation is provided where, in the opinion of the directors, there has been a permanent diminution in the value of the fixed asset.

Assets in the course of construction are stated at cost. These assets are not depreciated until they are available for use.

Impairment of non-financial assets

At each balance sheet date non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset (or asset's cash generating unit) may be impaired. If there is such an indication the recoverable amount of the asset (or asset's cash generating unit) is compared to the carrying amount of the asset (or asset's cash generating unit).

The recoverable amount of the asset (or asset's cash generating unit) is the higher of the fair value less costs to sell and value in use. Value in use is defined as the present value of the future cash flows before interest and tax obtainable as a result of the asset's (or asset's cash generating unit) continued use. These cash flows are discounted using a pre-tax discount rate that represents the current market risk-free rate and the risks inherent in the asset.

If the recoverable amount of the asset (or asset's cash generating unit) is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the profit and loss account, unless the asset has been revalued when the amount is recognised in other comprehensive income to the extent of any previously recognised revaluation. Thereafter any excess is recognised in profit or loss.

If an impairment loss is subsequently reversed, the carrying amount of the asset (or asset's cash generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised in prior periods. A reversal of an impairment loss is recognised in the profit and loss account.

Stocks

Stocks are stated at the lower of historical cost and estimated selling price less costs to complete and sell. Stock is recognised as an expense in the period in which the related revenue is recognised. Cost is determined on the first-in, first-out (FIFO) method. All goods are purchased for resale.

At the end of each reporting period stock is assessed for impairment. If an item of stock is impaired, the identified stock is reduced to its selling price less costs to complete and sell and an impairment charge is recognised in the profit and loss account. Where a reversal of the impairment is recognised the impairment charge is reversed, up to the original impairment loss, and is recognised as a credit in the profit and loss account.

Repairs and renewals

All repairs and renewals are expensed as incurred.

J.C.B. Sales Limited

Notes to the financial statements for the year ended 31 December 2022 (continued)

3. Summary of significant accounting policies (continued)

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are shown within the creditors falling due within one year note, on the bank loans and overdrafts line.

Debtors

Trade debtors are recorded net of amounts discounted without recourse, less any provision for bad or doubtful debts. Initial recognition is at transaction price, subsequently measured at amortised cost.

Operating leases

Costs in respect of operating leases are charged to the profit and loss account on a straight line basis over the lease term.

Investments

Investments are included in the balance sheet at their cost on acquisition. Where appropriate, provision is made for any impairment in their value.

The financial statements contain information about J.C.B. Sales Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, J.C.B. Service.

Dividends

Dividends and other distributions to the company's shareholders are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the shareholders. These amounts are recognised in the statement of changes in equity.

Financial instruments

The company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

(i) Financial assets

Basic financial assets, including trade and other debtors, cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

J.C.B. Sales Limited

Notes to the financial statements for the year ended 31 December 2022 (continued)

3. Summary of significant accounting policies (continued)

Financial instruments (continued)

(ii) Financial liabilities

Basic financial liabilities, including trade and other creditors, bank and other loans, loans from fellow company companies' and preference shares, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

(iii) Derivatives and hedge accounting

The company enters into certain foreign exchange forward contracts to manage its cash flow exposure over certain transactions undertaken in currencies other than the functional currency. These foreign exchange forward contracts are put in place to manage the risk of highly probable future forecast transactions.

The company applies hedge accounting to certain transactions entered to manage the foreign exchange risk. Changes in the fair values of derivatives designated as cash flow hedges, and which are effective, are recognised directly in other comprehensive income. Any ineffectiveness in the hedging relationship (being the excess of the cumulative change in fair value of the hedging instrument since inception of the hedge over the cumulative change in the fair value of the hedged item since inception of the hedge) is recognised in the profit and loss account.

The gain or loss recognised in other comprehensive income is reclassified to the profit and loss account when the hedge relationship ends. Hedge accounting is discontinued when the hedging instrument expires, no longer meets the hedging criteria, the forecast transaction is no longer highly probable, the hedged instrument is derecognised or the hedging instrument is terminated.

(iv) Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle to liability simultaneously.

J.C.B. Sales Limited

Notes to the financial statements for the year ended 31 December 2022 (continued)

4. Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Management does not consider any of the below areas to be significant judgements.

Critical accounting estimates and assumptions

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Impairment of debtors

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 15 for the net carrying amount of the debtors and associated impairment provision.

Sales incentive provision

Under certain conditions the company offers sales incentives in order to maintain its competitiveness in its respective markets. The provision is calculated by considering economic indicators across geographic regions and market segments. Provisions are made with reference to agreed terms with customers or based on historical experience where formal agreements are not in place.

5. Turnover

An analysis of turnover is given below:

	2022 £'000	2021 as restated £'000
Commission earned	96,084	76,027
Machine sales	64,764	51,563
	160,848	127,590

An analysis of turnover by geographical market is given below:

	2022 £'000	2021 as restated £'000
UK & Ireland	96,401	76,061
Europe	63,629	50,789
North America	818	740
	160,848	127,590

J.C.B. Sales Limited is engaged in a single class of business: the sale of a range of excavating machines.

The prior year comparatives for turnover and cost of sales have been restated due to an error involving VAT classification with no impact on the company's gross profit. Turnover has reduced by £4,166,000 and cost of sales has also reduced by £4,166,000.

J.C.B. Sales Limited

Notes to the financial statements for the year ended 31 December 2022 (continued)

6. Operating (loss)/profit

Operating (loss)/profit is stated after charging/(crediting):

	2022 £'000	2021 £'000
Hire of machinery and equipment	450	1,001
Hire of land and buildings	913	829
Foreign currency losses/(gains)	58,157	(8,542)
Services provided by the company's auditors:		
Fees payable for the audit	62	45
Depreciation of tangible fixed assets (note 12)	852	912

7. Investment income

	2022 £'000	2021 £'000
Dividends receivable from subsidiary company	9,710	-

8. Particulars of employees

The average monthly number of persons employed by the company (including directors) during the year, analysed by category, was as follows:

	2022 Number	2021 Number
Directors	3	3
Administration	196	181
	199	184

The aggregate payroll costs of these persons were as follows:

	2022 £'000	2021 £'000
Wages and salaries	18,468	15,531
Social security costs	2,033	2,721
Other pension costs	785	1,345
	21,286	19,597

9. Directors' emoluments

The directors' emoluments for the year were as follows:

	2022 £'000	2021 £'000
Directors' emoluments	2,626	1,083
Post-employment benefits	7	15
	2,633	1,098

During the year the number of directors who were accruing benefits under company pension schemes was as follows:

	2022 Number	2021 Number
Defined contribution	1	1

The aggregate emoluments of the highest paid director (excluding pension contributions) were £2,625,000 (2021: £1,082,000).

Emoluments of other directors are borne by other group companies.

J.C.B. Sales Limited

Notes to the financial statements for the year ended 31 December 2022 (continued)

10. Finance costs

	2022 £'000	2021 £'000
Group interest paid	2,358	1,842
Discounting charges	10,555	5,574
Interest received from bank deposits	(572)	(184)
	12,341	7,232

11. Tax on (loss)/profit

Analysis of (credit)/charge in the year

	2022 £'000	2021 £'000
Current tax		
UK corporation tax on (loss)/profit for the year	(8,077)	4,872
Adjustments in respect of prior year	(1,274)	(5,310)
UK corporation tax	(9,351)	(438)
Foreign tax	1,185	-
Total current tax	(8,166)	(438)
Deferred tax		
Origination and reversal of timing differences	283	(292)
Adjustments in respect of prior year	2,852	4,139
Effect of changes in tax rates	90	-
Total deferred tax	3,225	3,847
Total tax on (loss)/profit	(4,941)	3,409

Factors affecting current year tax (credit)/charge

The tax assessed on the (loss)/profit for the year is higher than (2021: lower than) the standard rate of corporation tax in the UK of 19% (2021: 19%).

The differences are explained below:

	2022 £'000	2021 £'000
(Loss)/profit before taxation	(31,338)	25,210
(Loss)/profit before taxation multiplied by the standard rate of corporation tax in the UK of 19% (2021: 19%)	(5,954)	4,790
Permanent differences	5	147
Difference in tax rates on timing differences	-	21
Effect of change in tax rate	90	(378)
Adjustments in respect of prior year	1,578	(1,171)
Overseas tax	1,185	-
Non-taxable dividend	(1,845)	-
Total tax for the year	(4,941)	3,409

Deferred tax liabilities have not been discounted.

Future tax changes

The UK headline corporation tax rate for the year was 19.0% (2021: 19.0%). In the 2021 Spring Budget, the UK Government announced that from 1 April 2023 the rate of UK corporation tax will increase from 19% to 25%. This new law was substantively enacted on 24 May 2021. UK deferred tax assets and liabilities have therefore been calculated at a rate of 25% (2021: 25%).

J.C.B. Sales Limited

Notes to the financial statements for the year ended 31 December 2022 (continued)

12. Tangible assets

	Plant & Machinery	Fixtures, Fittings & Office Equipment	Motor Vehicles	Assets under Construction	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
As at 1 January 2022	5,314	5,270	661	1,083	12,328
Additions	1,047	557	-	97	1,701
Reclassifications	1,082	-	-	(1,082)	-
As at 31 December 2022	7,443	5,827	661	98	14,029
Accumulated depreciation					
As at 1 January 2022	4,209	2,698	660	-	7,567
Charge for the year	632	220	-	-	852
As at 31 December 2022	4,841	2,918	660	-	8,419
Net book value at 31 December 2022	2,602	2,909	1	98	5,610
Net book value at 31 December 2021	1,105	2,572	1	1,083	4,761

Depreciation is charged in administrative expenses.

13. Investments

	2022 £'000	2021 £'000
Shares in group company		
As at 1 January and 31 December	25	25
Shares in subsidiary undertakings		
As at 1 January and 31 December	2,849	2,849
Total fixed asset investments	2,874	2,874

Group company

The investment in group company represents a 4% holding in JCB SpA, a company incorporated in Italy. The remaining 96% is held by J.C.B. Service.

Subsidiary undertakings

At 31 December 2022 the company holds the following investments in subsidiary undertakings. All equity holdings are in ordinary shares. The directors consider the value of investments to be supported by the underlying assets.

	Equity held	Principal business	Country of Incorporation
JCB Remarketing Limited	100%	Equipment sales	UK
JCB Defence Products Limited	100%	Non trading	UK
JCB Europe EURL	100%	Equipment marketing	France
JCB Benelux Limited	100%	Intermediate holding company	UK
JCB Kenya Services Limited	100%	Service provider	Kenya
JCB Russia LLC	100%	Equipment distributor	Russia

J.C.B. Sales Limited

Notes to the financial statements for the year ended 31 December 2022 (continued)

13. Investments (continued)

Through its holding in JCB Benelux Limited the company also has an interest in:

	Equity held	Principal business	Country of Incorporation
JC Bamford NV	100%	Equipment distributor	The Netherlands
JCB Belgium NV	100%	Equipment distributor	Belgium

The registered addresses of these companies are included in note 25.

14. Stocks

	2022 £'000	2021 £'000
Finished goods	7,135	4,955

During the year stock recognised as an expense in cost of sales was £63,242,000 (2021: £30,176,000). The value of stock in the balance sheet is not materially different from the replacement cost.

15. Debtors

	2022 £'000	2021 £'000
Trade debtors	29,301	8,134
Amounts owed by group undertakings	372,811	271,648
Amounts owed by subsidiary undertakings	15,875	11,218
Amounts owed by related parties outside the J.C.B. Service group	50,175	39,968
Corporation tax	8,077	-
Deferred tax	4,353	2,119
Other debtors	5,854	78
Derivative financial assets	11,253	5,612
Prepayments and accrued income	198	49
	497,897	338,826

Trade debtors are stated net of amounts discounted without recourse of £181,813,000 (2021: £197,832,000). An impairment loss of £300,000 (2021: £nil) was recognised against trade debtors. Of the amounts owed by group undertakings, £226,375,000 (2021: £158,052,000) are unsecured trading balances which do not gather interest and are repayable on demand. The remaining balance relates to loans bearing interest at 1.0% above bank base rate which are unsecured and are repayable on demand.

All other amounts owed by subsidiary undertakings and related parties are unsecured trading balances that do not bear interest and are repayable on demand.

Deferred tax

The movement in the deferred tax asset during the year was:

	2022 £'000	2021 £'000
As at 1 January	2,119	3,614
Deferred tax charged to the profit and loss account	(3,225)	(3,847)
Deferred tax credited to reserves	5,459	2,352
As at 31 December	4,353	2,119

The deferred tax asset consists of the tax effect of timing differences in respect of:

	2022 £'000	2021 £'000
Difference between depreciation and capital allowances on fixed assets	(449)	33
Other timing differences	4,802	2,086
	4,353	2,119

J.C.B. Sales Limited

Notes to the financial statements for the year ended 31 December 2022 (continued)

16. Creditors: amounts falling due within one year

	2022 £'000	2021 £'000
Bank loans and overdrafts	107,548	45,967
Trade creditors	17,672	7,371
Derivative financial instruments	24,286	829
Amounts owed to group undertakings	577,794	331,281
Amounts owed to subsidiary undertakings	21,562	10,590
Amounts owed to associates	1,418	-
Amounts owed to other related parties outside J.C.B. Service group	10,589	4,305
Corporation tax	-	4,548
Other taxation and social security	423	251
Other creditors	11,726	10,367
Sales incentives	62,439	44,389
Accruals	1,809	4,227
	837,266	464,125

The bank loans and overdrafts are repayable on demand. Within amounts owed to group undertakings are unsecured loans; two of which are repayable on demand with interest at 1.0% above bank base rate; and one that is repayable on 31 March 2024 with a fixed interest rate of 5% per annum.

All other amounts owed to group undertakings, subsidiary undertakings and associates are unsecured trading balances that do not bear interest and are repayable on demand.

17. Creditors: amounts falling after more than one year

	2022 £'000	2021 £'000
Derivative financial instruments	6,177	2,155

18. Pension schemes

The company is a participating employer in two defined benefit schemes: J C Bamford Lifeplan and J C Bamford Excavators Limited Senior Directors and Executives Retirement Benefit scheme. These schemes have a combined deficit of £163.4 million (2021: £188.8 million) calculated in accordance with FRS102. Details of these schemes are disclosed in the financial statements of J.C.B. Service.

19. Contingent liabilities

The company is part of the J.C.B. Service group cash pooling facility which includes the funds and overdrafts of all trading J.C.B. Service subsidiaries in the United Kingdom for cash management purposes. The facility is jointly and severally liable and contains a cross-guarantee structure.

J.C.B. Sales Limited

Notes to the financial statements for the year ended 31 December 2022 (continued)

20. Financial instruments

	Note	2022 £'000	2022 £'000	2021 £'000	2021 £'000
Financial assets measured at fair value through profit and loss					
- Derivative financial instruments	15		11,253		5,612
Financial assets constituting debt instruments measured at amortised cost					
- Trade debtors	15	29,301		8,134	
- Amounts owed by group undertakings	15	372,811		271,648	
- Amounts owed by subsidiary undertakings	15	15,875		11,218	
- Amounts owed by related parties outside the J.C.B. Service group	15	50,175		39,968	
- Other debtors	15	5,854		78	
			474,016		331,046
Financial liabilities measured at fair value through profit and loss					
- Derivative financial instruments	16/17		30,463		2,984
Financial liabilities measured at amortised cost					
- Bank loans and overdrafts	16	107,548		45,967	
- Trade creditors	16	17,672		7,371	
- Amounts owed to group undertakings	16	577,794		331,281	
- Amounts owed to subsidiary undertakings	16	21,562		10,590	
- Amounts owed to associates	16	1,418		-	
- Amounts owed to related parties outside J.C.B. Service group	16	10,589		4,305	
- Other creditors	16	11,726		10,367	
- Accruals	16	1,809		4,227	
			750,118		414,108

21. Called up share capital

	2022 £	2021 £
Allotted, called up and fully paid up		
101 Ordinary shares of £1 each (2021: 101 Ordinary shares of £1 each)	101	101

Each share is entitled to one vote in any circumstances. Each share is entitled pari passu to dividend payments or any other distribution. Each share is entitled pari passu to participate in a distribution arising from winding up of the company. The shares are non-redeemable.

J.C.B. Sales Limited

Notes to the financial statements for the year ended 31 December 2022 (continued)

22. Reserves

Called up share capital – represents the nominal value of shares that have been issued.

Share premium – represents the premium arising on the issue of equity shares.

Other reserves – comprises unrealised foreign exchange differences and reserves designated for capital and other purpose including derivative financial instruments.

Accumulated losses – includes all current and prior year retained profits and losses.

23. Related party transactions

The company has taken advantage of the exemption allowed under FRS 102 paragraph 33.1A, available to wholly-owned subsidiary companies, whose results are included in the consolidated financial statements that are made publicly available, not to disclose details of transactions with entities that are part of the J.C.B. Service group or investees of the group qualifying as related parties.

The company has also recharged costs of £19,541,000 (2021: £4,606,000) incurred on behalf of the BHoldings Limited Group, a group in which Lady Bamford OBE and her family are shareholders. The net amount due from the BHoldings Limited Group at 31 December 2022 was £19,541,000 (2021: £4,656,000).

The company has loaned funds and provided administrative services to JCB Access Limited, a company in which The Lord Bamford DL is the sole shareholder. The total value of these transactions was sales and recharges of £10,425,000 (2021: £1,890,000) and purchases of £10,751,000 (2021: £6,195,000). The net amount owed to JCB Access Limited at 31 December 2022 by the company was £10,589,000 (2021: £4,305,000).

The company has recharged expenditure of £7,021,000 (2021: £4,075,000) on behalf of JCB Farms Limited, Wootton Organic Wholesale Ltd and Daylesford Organic Farms Limited, companies owned by Bamford Property Limited, during the year. The net amount due from Bamford Property Limited at 31 December 2022 is £30,635,000 (2021: £23,613,000).

24. Ultimate controlling party

The company is a wholly-owned subsidiary of J.C.B. Service, an unlimited liability company incorporated in England and Wales. J.C.B. Service is the smallest company to consolidate the results of the company. The largest company to consolidate the financial statements of J.C.B. Service is JCB Group Holdings Sàrl, a company incorporated in Switzerland. JCB Group Holdings Sàrl is ultimately controlled by Bamford family interests.

25. Registered addresses

The registered addresses of the subsidiary undertakings are detailed below:

Company	Registered address
JCB Remarketing Limited	Lakeside Works, Rocester, Uttoxeter, Staffs, ST14 5JP
JCB Defence Products Limited	Lakeside Works, Rocester, Uttoxeter, Staffs, ST14 5JP
JCB Europe EURL	3, Rue du Vignolle, 95200, Sarcelles, France
JCB Benelux Limited	Lakeside Works, Rocester, Uttoxeter, Staffs, ST14 5JP
JCB Kenya Services Limited	LR. 1/1228, Chaka Place, Argwings, Khodhek Road, P.O BOX 46971-00100, Kenya
JCB Russia LLC	Russian Federation, 107045, Moscow, Trubnaya St, 12, Office 1A
J C Bamford NV	Zandweistraat, 16, 4181, CG Waardenburg, Netherlands
JCB Belgium NV	Nijverheidslaan, 1501, 3660, Opglabbeek, België