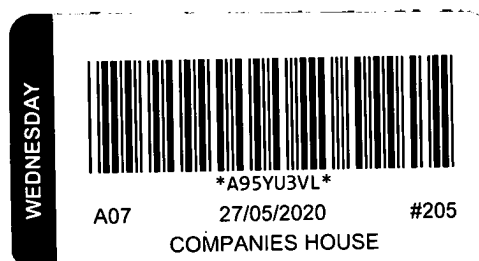


VERSALIFT UNITED KINGDOM LIMITED
STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019



VERSALIFT UNITED KINGDOM LIMITED
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FOR THE YEAR ENDED 31 DECEMBER 2019

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VERSALIFT UNITED KINGDOM LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2019

DIRECTORS:

Mr A D Bray
Mr C Howell
Mr J Jeffery
Mr K Jensen

REGISTERED OFFICE:

1 Altendiez Way
Latimer Park
Burton Latimer
Kettering
Northamptonshire
NN15 5YZ

REGISTERED NUMBER:

02888311 (England and Wales)

AUDITORS:

APC Accountants Limited
Chartered Accountants
and Statutory Auditors
7 St John Street
Mansfield
Nottinghamshire
NG18 1QH

SOLICITORS:

BRM Law Ltd
Third Floor
Steel City House
West Street
Sheffield
S1 2GQ

VERSALIFT UNITED KINGDOM LIMITED
STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019

The directors present their strategic report for the year ended 31 December 2019.

PRINCIPAL ACTIVITIES AND FUTURE DEVELOPMENTS

The principal activity of the company is the manufacture and installation of vehicle mounted access platforms, through importation and distribution of our lifts. We pride ourselves on offering effective product support, with a quality service that synergises with the premium quality of our platforms.

The directors expect the general level and scope of the company's activity to increase in future years in line with the company's growth plan. This includes increasing the company's presence in the after sales and service markets for Versalift products in the UK and Ireland.

REVIEW OF BUSINESS

The profit for the year, before taxation, amounted to £1,819,199. (2018 - £1,093,590 (Restated)).

The company's key performance indicators are set out the table below:

	2019	2018
Gross margin	20.48%	26.28%
Employee numbers	92	84

The wider economic environment remains quite challenging but we will aim to at least retain our strong market share during 2020, with significant growth forecast within key sectors, particularly in respect of after sales support and servicing and with continued new product development from within the Versalift family.

Cash flow position

During the year the company's cash position has reduced by £1,993,577, however to highlight how the cash has been used is as follows. Stock has increased by £2,028,651, Debtors within one year have fallen by £2,953,063, in addition to the company has provided a loan to its UK parent company, Time Manufacturing Acquisitions (UK) Limited of £1,007,142 for further investment, which would benefit the wider group as a whole. Lastly Short term creditors have fallen by £1,779,990 and long term creditors have reduced by £1,560,418, which related to repaying 64.8% of the value of a loan to the Intermediate parent company, Time Manufacturing LLC. All of these amounts are detailed within the appropriate notes to the financial statements.

VERSALIFT UNITED KINGDOM LIMITED
STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019

PRINCIPAL RISKS AND UNCERTAINTIES

Market risk

The company is a significant player in the market for the importation and distribution of aerial lifts in the UK and Ireland. There is a defined customer base and the market is largely influenced by the requirements of the larger customers in the telecoms, electric utilities and municipal sectors. As such the risk to the company is that customer demand declines. The company mitigates this by having a strong order backlog running up to December 2019 and beyond. There is also an after sales and support market of around 7,000 Versalift products in the UK and Ireland, which the company aims to increasingly tap into. With the introduction of our new business system, Epicor, we are also working on a number of process improvements within our Product Support department, which will help improve efficiency through better planning, with the aim of improved resource management.

Brexit

With the United Kingdom leaving the European Union in January 2020 there is uncertainty around the general economic environment post-Brexit. In the short-term the company has mitigated this risk by maintaining a strong order backlog up to summer 2020. Long-term effects are yet to be known with a Brexit deal not yet clarified, however the company closely monitor the situation and will assess impacts when they become clear. As an importer, our exposure to a weakening sterling, and consequential rising costs are significant. In terms of mitigating exposure to sterling this can be affected by natural hedging or foreign exchange contracts and reviewing the overall group supply chain for any potential cost savings. In respect of exposure to cost increases, the company is working on a number of initiatives to mitigate its exposure, including a drive in house to increase efficiency and productivity, along with a strategy to strengthen our UK based supply chain which we envisage will result in cost savings.

Covid-19

The United Kingdom, along with the majority of the world are, at the time of this report in the throes of the Covid-19 pandemic that is causing unprecedented levels of uncertainty about the economy at large but also individual businesses. There will be an impact going forward for the company in terms of its revenue streams if production cannot be continued for a prolonged period of weeks and months. There may also be some mitigation of costs against this (eg: reduced purchases if production is halted, but also potentially salary costs if staff are furloughed). The company is in constant discussions within the organisation and with its wider network of business within the Time Group to minimise the disruption to the business and to protect the business going forward, particularly in respect of controlling costs and conserving cash reserves, if there is reduced revenue streams, so that it is in the best possible financial health to survive the disruption and emerge through the pandemic.

The director and key management have a continual review of all risks within the company with regular meetings to discuss performance of the company in addition to the risks associated with the operations of the business and any future income, which may be exposed. As part of the company's financial management safeguards are in place to mitigate financial risks such as movement in market prices and having financing facilities in place. In relation to the reliance upon a small senior management team this is mitigated by the retention and development of staff and succession planning within a training and mentoring programme in place.

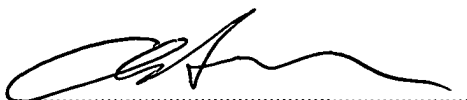
VERSALIFT UNITED KINGDOM LIMITED
STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019

THE POSITION OF THE COMPANY AT THE YEAR END

The company has a robust balance sheet and sufficient financing facilities to take advantage of market opportunities. Net assets at 31 December 2019 were £4.41million (2018: £2.99million (Restated)).

The financial statements now reflect the position of the company and the Director is confident that the 2020 results will show another good year.

ON BEHALF OF THE BOARD:



Mr A D Bray - Director

Date: 02/05/2020

VERSALIFT UNITED KINGDOM LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2019

The directors present their report with the financial statements of the company for the year ended 31 December 2019.

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2019.

RESEARCH AND DEVELOPMENT

New product development and innovation is at the core of the wider Time Manufacturing LLC group's customer focussed strategy and takes place in the group's dedicated research and development facilities in various locations around the world, including some work in the UK, carried out by the company.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2019 to the date of this report.

Mr A D Bray
Mr C Howell
Mr J Jeffery
Mr K Jensen

POLITICAL DONATIONS AND EXPENDITURE

The company neither made disclosable political contributions nor incurred disclosable political expenditure in the year (2018 - £Nil).

FINANCIAL RISK MANAGEMENT

The company has exposures to foreign currency risks. The company's focus is to understand these risks and to put in place policies that minimise their economic impact. Transaction exposures are internally hedged as far as possible. Where this is not possible, material exposures are externally hedged. Translational exposure, which is effectively a non-cash transaction is not hedged.

The company requires significant cash flows and investment in working capital. The company enjoys support from its parent when required in financing its operations.

EMPLOYEES

The directors give special attention to the health and safety of their employees and endeavour to ensure that as far as possible the training, career development and promotion of disabled persons is the same as other employees. Should employees become disabled, every effort is made to ensure that their employment continues and appropriate retraining is provided.

Consultation with employees and good industrial relations are actively promoted through comprehensive and agreed procedures.

VERSALIFT UNITED KINGDOM LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2019

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

- select suitable accounting policies and then apply them consistently;
- make 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 transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

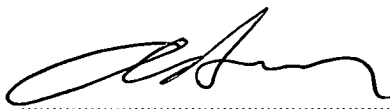
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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 company'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 company's auditors are aware of that information.

AUDITORS

The auditors, APC Accountants Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:


.....

Mr A D Bray - Director

Date: 02/05/2020
.....

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF VERSALIFT UNITED KINGDOM LIMITED

Opinion

We have audited the financial statements of Versalift United Kingdom Limited (the 'company') for the year ended 31 December 2019 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the 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 company's affairs as at 31 December 2019 and of its 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 company 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF VERSALIFT UNITED KINGDOM LIMITED

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page six, 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 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 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.

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. This description forms part of our Report of the Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
VERSALIFT UNITED KINGDOM LIMITED**

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.



Steven Pincott ACA, FCCA, ATT (Senior Statutory Auditor)
for and on behalf of APC Accountants Limited
Chartered Accountants
and Statutory Auditors
7 St John Street
Mansfield
Nottinghamshire
NG18 1QH

4 May 2020

VERSALIFT UNITED KINGDOM LIMITED

INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2019

		2019	2018
	Notes	£	as restated £
TURNOVER	4	22,156,033	17,397,777
Cost of sales		(17,618,515)	(12,825,493)
GROSS PROFIT		4,537,518	4,572,284
Administrative expenses		(2,724,820)	(3,478,581)
		1,812,698	1,093,703
Other operating income		6,501	-
		1,819,199	1,093,703
Interest payable and similar expenses	6	-	(113)
PROFIT BEFORE TAXATION	7	1,819,199	1,093,590
Tax on profit	8	(395,459)	(84,950)
PROFIT FOR THE FINANCIAL YEAR		1,423,740	1,008,640

The notes form part of these financial statements

VERSALIFT UNITED KINGDOM LIMITED

OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2019

		2019	2018
	Notes	£	as restated £
PROFIT FOR THE YEAR		1,423,740	1,008,640
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		1,423,740	1,008,640
Prior year adjustment	Note 9	324,560	(2,136,733)
TOTAL COMPREHENSIVE INCOME SINCE LAST ANNUAL REPORT		1,748,300	(1,128,093)

The notes form part of these financial statements

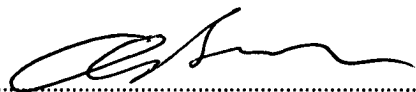
BALANCE SHEET
31 DECEMBER 2019

		2019		2018 as restated	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	10		230,423		224,349
CURRENT ASSETS					
Stocks	11	6,853,865		4,825,214	
Debtors	12	4,517,526		6,463,447	
Cash at bank and in hand		299,865		2,293,442	
		<u>11,671,256</u>		<u>13,582,103</u>	
CREDITORS					
Amounts falling due within one year	13	6,629,629		8,409,619	
NET CURRENT ASSETS			<u>5,041,627</u>		<u>5,172,484</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>5,272,050</u>		<u>5,396,833</u>
CREDITORS					
Amounts falling due after more than one year	14		(846,128)		(2,406,546)
PROVISIONS FOR LIABILITIES	16		<u>(11,895)</u>		<u>-</u>
NET ASSETS			<u><u>4,414,027</u></u>		<u><u>2,990,287</u></u>
CAPITAL AND RESERVES					
Called up share capital	17		1,300,000		1,300,000
Retained earnings	18		3,114,027		1,690,287
SHAREHOLDERS' FUNDS			<u><u>4,414,027</u></u>		<u><u>2,990,287</u></u>

The notes form part of these financial statements

BALANCE SHEET - continued
31 DECEMBER 2019

The financial statements were approved by the Board of Directors on02/05/2020..... and were signed on its behalf by:



.....
Mr A D Bray - Director

The notes form part of these financial statements

VERSALIFT UNITED KINGDOM LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2018	1,300,000	2,818,380	4,118,380
Prior year adjustment	-	(2,136,733)	(2,136,733)
As restated	1,300,000	681,647	1,981,647
Changes in equity			
Total comprehensive income	-	684,080	684,080
Balance at 31 December 2018	1,300,000	1,365,727	2,665,727
Prior year adjustment	-	324,560	324,560
As restated	1,300,000	1,690,287	2,990,287
Changes in equity			
Total comprehensive income	-	1,423,740	1,423,740
Balance at 31 December 2019	1,300,000	3,114,027	4,414,027

The notes form part of these financial statements

VERSALIFT UNITED KINGDOM LIMITED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2019**

		2019	2018 as restated
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	1	(2,234,248)	1,316,719
Interest paid		-	(113)
Tax paid		327,201	(51,626)
		<u> </u>	<u> </u>
Net cash from operating activities		<u>(1,907,047)</u>	<u>1,264,980</u>
 Cash flows from investing activities			
Purchase of tangible fixed assets		(98,713)	(73,351)
Sale of tangible fixed assets		12,183	25,200
		<u> </u>	<u> </u>
Net cash from investing activities		<u>(86,530)</u>	<u>(48,151)</u>
 (Decrease)/increase in cash and cash equivalents		 <u>(1,993,577)</u>	 <u>1,216,829</u>
Cash and cash equivalents at beginning of year	2	2,293,442	1,076,613
		<u> </u>	<u> </u>
Cash and cash equivalents at end of year	2	<u>299,865</u>	<u>2,293,442</u>

The notes form part of these financial statements

VERSALIFT UNITED KINGDOM LIMITED

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2019

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

	2019	2018 as restated
	£	£
Profit before taxation	1,819,199	1,093,590
Depreciation charges	88,512	82,566
(Profit)/loss on disposal of fixed assets	(8,056)	3,090
Finance costs	-	113
	<u>1,899,655</u>	<u>1,179,359</u>
(Increase)/decrease in stocks	(2,028,651)	1,031,978
Decrease/(increase) in trade and other debtors	1,491,021	(3,255,271)
(Decrease)/increase in trade and other creditors	<u>(3,596,273)</u>	<u>2,360,653</u>
Cash generated from operations	<u><u>(2,234,248)</u></u>	<u><u>1,316,719</u></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 2019

	31/12/19	1/1/19
	£	£
Cash and cash equivalents	<u>299,865</u>	<u>2,293,442</u>

Year ended 31 December 2018

	31/12/18	1/1/18
	£	£
Cash and cash equivalents	<u>2,293,442</u>	<u>1,076,613</u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/1/19	Cash flow	At 31/12/19
	£	£	£
Net cash			
Cash at bank and in hand	<u>2,293,442</u>	<u>(1,993,577)</u>	<u>299,865</u>
	<u>2,293,442</u>	<u>(1,993,577)</u>	<u>299,865</u>
Total	<u><u>2,293,442</u></u>	<u><u>(1,993,577)</u></u>	<u><u>299,865</u></u>

The notes form part of these financial statements

VERSALIFT UNITED KINGDOM LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

1. STATUTORY INFORMATION

Versalift United Kingdom 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 Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

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 historical cost convention.

The nature of the company's operations and its principal activities are set out in the strategic report on page 2. The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The functional currency of Versalift United Kingdom Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the company operates.

Going concern

The financial statements have been prepared using the going concern basis of accounting. In making this assessment the directors of the company have considered cash flow forecasts which have been agreed by the board and show the company returning to profitability in 2019 based on business growth and rationalisation of cost bases, which is expected to continue into 2020. The directors have also considered the support provided by its parent company and understand that if required, the company will receive support from its parent to continue its operations.

Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date or, if appropriate, at the forward contract rate. All exchange differences are included in the income statement.

Significant judgements and estimates

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

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

The directors have not made any critical judgements in the process of applying the company's accounting policies when compiling the financial statements. The directors also do not consider there to be any sources of key estimation uncertainty.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019

3. ACCOUNTING POLICIES - continued

Turnover

Turnover comprises the invoiced value of sales excluding value added tax and trade discounts. Turnover on the sale of goods is recognised on delivery of the related product. Turnover on service contracts is recognised on a straight line basis over the life of the contract.

Where payments are received from customers in advance of services provided, the amounts are recorded as deferred income and included as part of creditors due within one year.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 50% straight line, 20% straight line and 10% straight line
Motor vehicles	- 33.33% on reducing balance and 20% straight line

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Stocks are stated at the lower of cost and net realisable value. Cost is based on the normal level of costs incurred in bringing each product to its present location and condition. Net realisable value is based on estimated normal selling price less further costs expected to be incurred on disposal. Stocks are held on a FIFO basis. Provision is made for obsolete, slow moving or defective items, where appropriate.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, 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.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019

3. ACCOUNTING POLICIES - continued

Impairment excluding stocks and deferred tax assets

Financial assets (including trade and other debtors)

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

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

Non-financial assets

The carrying amounts of the company's non-financial assets, other than stocks and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the income statement. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

An impairment loss is reversed if and only if the reasons for the impairment have ceased to apply.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019

3. ACCOUNTING POLICIES - continued

Financial instruments

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through the income statement, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a finance transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the balance sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

- (a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.
- (b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.
- (c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).
- (d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.
- (e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.
- (f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that have no stated interest rate (and do not constitute financing transaction) and are classified as payable or receivable within one year are initially measured at an undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Debt instruments not meeting these conditions are measured at fair value through profit or loss.

VERSALIFT UNITED KINGDOM LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019

4. **TURNOVER**

The turnover and profit before taxation are attributable to the one principal activity of the company.

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

	2019	2018 as restated
	£	£
Sale of goods	20,340,130	15,574,496
Service income	1,815,903	1,823,281
	<u>22,156,033</u>	<u>17,397,777</u>

Turnover is generated from the sale of aerial lifts, parts and service income in the United Kingdom.

5. **EMPLOYEES AND DIRECTORS**

	2019	2018 as restated
	£	£
Wages and salaries	3,523,421	2,789,104
Social security costs	343,938	307,180
Pension	91,676	42,319
	<u>3,959,035</u>	<u>3,186,603</u>

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

	2019	2018 as restated
Management	3	3
Sales	2	2
Administration	12	8
Production	54	48
Servicing	18	18
Engineering	3	5
	<u>92</u>	<u>84</u>

The Directors remuneration is included within Key management remuneration, which is disclosed in note 19.

VERSALIFT UNITED KINGDOM LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2019	2018 as restated
	£	£
Bank interest	-	113
	<u> </u>	<u> </u>

7. PROFIT BEFORE TAXATION

The profit is stated after charging/(crediting):

	2019	2018 as restated
	£	£
Depreciation - owned assets	88,512	82,566
(Profit)/loss on disposal of fixed assets	(8,056)	3,090
Auditors' remuneration	35,880	36,218
Tax advisory services	-	6,000
Foreign exchange (loss)/Gain	96,317	(665,801)
	<u> </u>	<u> </u>

8. TAXATION

Analysis of the tax charge

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

	2019	2018 as restated
	£	£
Current tax:		
UK corporation tax	255,865	-
Deferred tax	139,594	84,950
	<u> </u>	<u> </u>
Tax on profit	395,459	84,950
	<u> </u>	<u> </u>

UK corporation tax has been charged at 19% (2018 - 19%).

VERSALIFT UNITED KINGDOM LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019

8. 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:

	2019	2018 as restated
	£	£
Profit before tax	<u>1,819,199</u>	<u>1,093,590</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2018 - 19%)	345,648	207,782
Effects of:		
Expenses not deductible for tax purposes	4,142	137
Income not taxable for tax purposes	(1,531)	-
Capital allowances in excess of depreciation	(6,700)	(3,933)
Utilisation of tax losses	(147,361)	(142,176)
Temporary timing differences on movement in losses	131,850	88,883
Impact in respect of prior period errors	61,666	(61,666)
Adjustments in respect of temporary timing differences	<u>7,745</u>	<u>(4,077)</u>
Total tax charge	<u>395,459</u>	<u>84,950</u>

The rate of Corporate Tax of 19% has been effective from 1 April 2017.

VERSALIFT UNITED KINGDOM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019**

9. PRIOR YEAR ADJUSTMENT

Prior period adjustments carried out during the 2019 accounts preparation:

During the current year it was identified that Amounts Recoverable On Contracts (AROC) had not been correctly accounted for in the financial statements. Previously they had been accounted for as Work In Progress within stock, rather than including a profit element as AROC within debtors. As a result stock was overstated by £1,818,890, debtors were understated by £2,143,450 and profit for the year was understated by £324,560. This adjustment was processed in the 2018 financial statements.

	2018
	£
The effect of the prior period error are summarised as below:	
Income Statement	
Sales	324,560
Increase/(decrease) in profit for the financial year	324,560
Balance Sheet	
Stock	(1,818,890)
Debtors	2,143,450
Retained Earnings	324,560
Increase/(decrease) in net assets	324,560

Prior period adjustments carried out during the 2018 accounts preparation

In 2018 it was identified that the prior year adjustment from the previous period had been incorrectly processed in the financial statements. As a result the closing stock value was overstated by £1,957,053, accruals had also been overstated by £45,779. The resulting accounting entries had also not taken the retained earnings into account, which had also lead to a an overstatement of £1,911,274 in the retained earnings.

	2016
	£
The effects of the prior period error are summarised as below:	
Balance Sheet	(1,957,053)
Stock	45,779
Accruals	1,911,274
Retained Earnings	
Increase/(Decrease) in net assets	(1,911,274)

VERSALIFT UNITED KINGDOM LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019

In 2018 it was also identified that £225,459 of purchases had been omitted from the previous years financial statements and subsequently not accrued. Those costs had been incorrectly accounted for during the current year. As a result the adjustment was processed to put the costs through and accrue in to the 2017 financial statements, resulting in purchases for the current year being reduced by the same amount.

	2017
	£
The effects of the prior period error are summarised as below:	
Income Statement	
Cost of sales	225,459
Increase/(decrease) in profit for the financial year	(225,459)
Balance Sheet	
Accruals	225,459
Retained earnings	(225,459)
Increase/(decrease) in net assets	(225,459)

10. TANGIBLE FIXED ASSETS

	Plant and machinery £	Motor vehicles £	Totals £
COST			
At 1 January 2019	820,959	244,105	1,065,064
Additions	98,713	-	98,713
Disposals	-	(120,730)	(120,730)
At 31 December 2019	919,672	123,375	1,043,047
DEPRECIATION			
At 1 January 2019	640,915	199,800	840,715
Charge for year	62,293	26,219	88,512
Eliminated on disposal	-	(116,603)	(116,603)
At 31 December 2019	703,208	109,416	812,624
NET BOOK VALUE			
At 31 December 2019	216,464	13,959	230,423
At 31 December 2018	180,044	44,305	224,349

VERSALIFT UNITED KINGDOM LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019

11. STOCKS

	2019 £	2018 £
Hydraulic access platforms	4,634,744	2,668,064
Spare parts and sundry stock	527,661	1,099,168
Stock in transit	1,691,460	1,057,982
	<u>6,853,865</u>	<u>4,825,214</u>

There are no material differences between replacement cost of stock and the balance sheet amounts.

The replacement cost of stocks did not differ significantly from the amounts shown above. Stocks are stated net of a provision for obsolescence of £972,998 (2018 - £657,123).

12. DEBTORS

	2019 £	2018 as restated £
Amounts falling due within one year:		
Trade debtors	2,612,231	3,750,165
Amounts owed by group undertakings	105,226	17,704
Amounts recoverable on contract	755,538	2,143,450
Other debtors	-	894
Tax	-	327,201
Deferred tax asset		
Accelerated capital allowances	-	127,699
Prepayments and accrued income	37,389	96,334
	<u>3,510,384</u>	<u>6,463,447</u>
Amounts falling due after more than one year:		
Amounts owed by group undertakings	<u>1,007,142</u>	<u>-</u>
Aggregate amounts	<u>4,517,526</u>	<u>6,463,447</u>

During the year the company made a loan to Time Manufacturing Acquisitions (UK) Limited, it's immediate parent company for the purpose of financing a joint venture. This is an interest free loan.

VERSALIFT UNITED KINGDOM LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018 as restated
	£	£
Trade creditors	814,602	1,044,599
Amounts owed to group undertakings	3,598,636	2,683,702
Corporation tax	255,865	-
Social security and other taxes	131,071	113,858
VAT	420,488	342,328
Other creditors	249,786	472,988
Accruals and deferred income	1,159,181	3,752,144
	<u>6,629,629</u>	<u>8,409,619</u>

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2019	2018 as restated
	£	£
Amounts owed to group undertakings	<u>846,128</u>	<u>2,406,546</u>

In 2017 the company received a loan from Time Manufacturing LLC, an intermediate parent company, for the financing of cash flows and investment. This is an interest-free loan..

15. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2019	2018 as restated
	£	£
Within one year	1,630	3,290
Between one and five years	214,689	109,690
In more than five years	6,532,108	6,819,211
	<u>6,748,427</u>	<u>6,932,191</u>

16. PROVISIONS FOR LIABILITIES

	2019
	£
Deferred tax	
Accelerated capital allowances	<u>11,895</u>

VERSALIFT UNITED KINGDOM LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019

16. PROVISIONS FOR LIABILITIES - continued

	Deferred tax £
Balance at 1 January 2019	(127,699)
Charge to Income Statement during year	84,419
Adjustment to prior period	55,175
	<u> </u>
Balance at 31 December 2019	<u>11,895</u>

17. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	2019 £	2018 as restated £
Number:	Class:			
1,300,000	Ordinary	£1	<u>1,300,000</u>	<u>1,300,000</u>

18. RESERVES

	Retained earnings £
At 1 January 2019	1,365,727
Prior year adjustment	324,560
	<u> </u>
	1,690,287
Profit for the year	1,423,740
	<u> </u>
At 31 December 2019	<u>3,114,027</u>

VERSALIFT UNITED KINGDOM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019**

19. RELATED PARTY DISCLOSURES

The company has availed of the exemptions under Section 33.1A of FRS 102 - Related Party Disclosures not to provide details of related party transactions as it is a wholly owned subsidiary of Time Manufacturing Acquisitions (UK) Ltd which is preparing consolidated financial statements which include this company.

As at 31 December 2019 the company owed £1,106,362 (2018: £809,341) to Time Manufacturing Company Inc, a group company

As 31 December 2019 the company owed £2,492,232 (2018: £1,874,318) and was owed £105,002 (2018: £17,704) by Versalift Denmark A/S, a group company.

The company, as at 31 December 2019, owed £43 (2018: £43) and was owed £224 (2018: £Nil) by Versalift France, a group company.

As at 31 December 2019 there was £846,128 (2018: £2,406,546) owed to Time Manufacturing Company Inc, a group company in relation to a working capital loan.

Also, as at 31 December 2019 the company was owed £1,007,142 (2018: £nil) by Time Manufacturing Acquisitions (UK) Ltd, it's immediate parent company in relation to a loan to finance a joint venture enterprise.

Key management remuneration amounted to £334,800 (2018: £258,903).

20. GROUP UNDERTAKINGS AND CONTROLLING ENTITY

At the year end the company is a wholly owned subsidiary of Time Manufacturing Acquisitions (UK) Ltd and its financial statements are incorporated in the consolidated financial statements prepared by that company.

Time Manufacturing Acquisitions (UK) Ltd is itself a subsidiary of Time Manufacturing Acquisitions LLC.

Time Manufacturing Acquisitions LLC is a business registered and operating in the United States of America. It's address is 7601 Imperial Drive, PO Box 20368, Waco, Texas, 76702-0368, United States of America. The Sterling Group LP is the parent company of the largest group of which the company is a member who's address is Nine Greenway Plaza, STE2400, Houston, Texas, 77046, United States.

Group financial statements of the largest group are available from Nine Greenway Plaza, STE2400, Houston, Texas, 77046, United States.

21. GUARANTEES

The company's bank has guaranteed the Customs and Excise authorities for amounts up to £80,000 (2018 - £80,000). The company has indemnified the bank against any losses under this guarantee.

22. OTHER COMMITMENT

In December 2019 the company undertook a forward contract to purchase €1,000,000 for a fixed cost of £851,581.