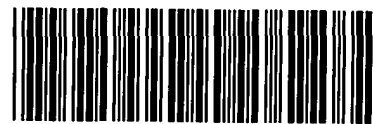


J.C. Bamford Excavators Limited
Directors' Report and Consolidated Financial Statements
for the year ended 31 December 2024

Registered number 00561597

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J.C. Bamford Excavators Limited

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J.C. Bamford Excavators Limited

Directors and advisors

Directors

The Lord Bamford DL
Lady Bamford OBE
M J C Bamford
G A Macdonald
M W Turner

Company secretary

S E R Ovens

Independent Auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
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Manchester
M3 3EB

Solicitors

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London
EC1Y 8YY

Banks

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Birmingham
B3 2WN

HSBC Bank plc
4th Floor
120 Edmund Street
Birmingham
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250 Bishopsgate
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EC2M 4AA

Lloyds Bank plc
Ground Floor
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Citibank NA
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EC2V 5DD

Registered office

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Rocester
Uttoxeter
Staffordshire
ST14 5JP

Registered number

00561597

J.C. Bamford Excavators Limited

Strategic report for the year ended 31 December 2024

The directors present their strategic report on the group for the year ended 31 December 2024.

Principal activities

The principal activity of J.C. Bamford Excavators Limited and its subsidiaries (together the 'group') is the design, manufacture, marketing and sale of machines primarily for the construction and agricultural industries.

Review of business and future developments

The global market for construction and agricultural equipment declined in 2024, finishing the year down 3.7% versus 2023. However, the global dynamics were markedly different than 2023. The Chinese market has fallen circa 70% since 2021, stabilised and grown by 10% in 2024. Similarly, other non-western countries exhibited market growth with Brazil growing by 24%, Africa growing by 34%, and the Middle East growing by 15%. Driving the global decline were the North American, European, UK, and Pacific markets. All of these markets peaked during 2023 and entered 2024 on a downtrend. In general, these downtrends were caused by manufacturers catching up with multi-year supply constraints post-Covid, coinciding with elevated interest rates put in place to tame demand and bring inflation under control. These downtrends, the first drop in market demand for many years noting that the Covid effect was more of a supply side shock, were substantial in many markets. The UK market fell by 24%, Continental Europe fell by 18%, the Pacific region fell by 27%, but the North American market showed some resilience by only declining 4%. Market trends at the end of 2024 are a continuation of what happened throughout 2024. In particular, the European markets are trending at -25% and are showing no sign of improvement in Q1 of 2025. The UK is trending at -5% and stabilising and the North American market is trending down at -6%, with business confidence eroding. The overall market outlook for 2025 is moderately negative, with new geopolitical uncertainties, brought about largely through the protectionist trade policies of the new US administration.

Against the backdrop of a global market that shrank by 3.7% in 2024, J.C. Bamford Excavators Limited's sales decreased by 8.5% to £4,878.8 million (2023: £5,331.2 million), driven by reduced sales volume. The volume mix, along with tight cost control throughout the group, has resulted in a gross margin of 20.9% in 2024 compared to 21.1% in 2023. The reduction in turnover has led to a lower operating profit for the year of £466.9 million in 2024, compared to £527.3 million in 2023. The group continues to invest in research and development, spending £91.7 million (2023: £93.7 million) in the year on new products which puts JCB in a strong position in the construction equipment market.

The group has a strong balance sheet and net cash is £265.1 million (2023: £415.5 million). The group generated operational cash of £605.2 million (2023: £738.0 million), invested £76.1 million (2023: £89.8 million) in capital assets and paid a dividend of £655.0 million (2023: £547.5 million).

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. Bamford Excavators Limited is the cyclical nature of the industry as a whole, which, in broad terms, tracks the global economic cycle. To manage this risk, the group addresses a spectrum of regional markets and product sectors, and operates an organisation and capital structure which is flexible and fast reacting to market conditions. Over its history, the group has grown in the good years and weathered the downturns, increasing the size of the business as each cycle progresses.

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

The group continues to monitor the ongoing tariff situation and its impact on both the business and the industry as a whole.

J.C. Bamford Excavators Limited

Strategic report for the year ended 31 December 2024 (continued)

Financial risk management

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

Credit risk

The group's principal financial assets are cash, trade debtors, group debtors and other debtors. The credit risk is primarily attributable to its trade debtors 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. The group has no significant concentration of external credit risk, with exposure spread over a number of counterparties and a broad customer base.

Liquidity risk

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

Exchange rate risk

The exchange rate risk is mitigated by the J.C.B. Service group's hedging arrangements. The J.C.B. Service group hedges exchange rate exposure on foreign currency transactions, mainly those relating to sales, where a significant proportion thereof is invoiced in foreign currencies. It is the policy of the J.C.B. Service group to reduce this exposure through the use of forward currency contracts.

Interest rate risk

The group's interest rate risk arises from amounts owed to the J.C.B. Service group. Borrowings issued at variable rates expose the group to cash flow interest rate risk. Borrowings issued at fixed rates expose the group to fair value interest rate risk. The group manages the risk through a combination of fixed and floating rate facilities within the J.C.B. Service group. Interest payable on the bank loans and overdrafts is linked to SONIA.

Price risk

The group's products contain a number of key raw materials and its operations require energy, notably electricity. Any increase or volatility in prices and any significant decrease in the availability of raw materials or energy could affect the group's results. The group strives to obtain the best prices and uses contractual means to benefit where appropriate and possible. The group works closely with its supply chain which enables it to effectively manage the risk in this area.

Key performance indicators (KPIs)

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

Financial measures are turnover, operating profit and net cash generated from operations:

	2024	2023
	£m	£m
Turnover	4,878.8	5,331.2
Operating profit	466.9	527.3
Net cash generated from operating activities	605.2	738.0

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

J.C. Bamford Excavators Limited

Strategic report for the year ended 31 December 2024 (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, as outlined in the directors report. The ultimate long-term success of the group 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. 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 group'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, J.C. Bamford Excavators supports the community in many ways, particularly in education. J.C. Bamford Excavators is committed to developing the next generation of engineering and manufacturing talent. J.C. Bamford Excavators also undertakes a range of activities internationally – including donating machines and manpower to communities devastated by natural disasters worldwide. In the areas where it operates globally J.C. Bamford Excavators supports the local communities with activities such as adopting a local school in India and providing an early childhood development centre for disadvantaged children in Savannah, USA.

Business conduct

The group 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 group's supplier code of conduct, health and wellbeing policy and other documents are published on the group's website.

Approved on behalf of the board



G A Macdonald
Director

1 June 2025

J.C. Bamford Excavators Limited

Directors' report for the year ended 31 December 2024

The directors present their report and the audited consolidated and company financial statements for the year ended 31 December 2024.

Future developments

Details of anticipated future developments in the group's business have been provided in the strategic report on page 2.

Dividends

The directors approved and paid a dividend of £655.0 million during the year (2023: £547.5 million).

Research and development

The group is conscious of the impact of its products on the climate, and spends a considerable amount of planning and research to develop programmes that will contribute to tackling climate change. The group incurred research and development expenditure during the year of £91.7 million (2023: £93.7 million).

Political donations

The group made political donations to the Stoke Conservative Foundation of £10,000 (2023: £10,000), East Staffordshire Conservatives of £10,000 (2023: £10,000), Stratford on Avon Conservatives of £7,500 (2023: £7,500) and the Conservative Central Office of £25,000 (2023: £25,000).

Statutory records

The company is a privately held company, limited by shares, and incorporated in the UK. Its company registration number is 00561597.

Directors

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

The Lord Bamford DL
Lady Bamford OBE
M J C Bamford
G A Macdonald
M W Turner

Directors' indemnity insurance

The company purchases qualifying third party liability insurance cover 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.

Corporate governance

The directors are collectively responsible for ensuring that they operate in a manner which best promotes the interests of the group with consideration to its wider group of stakeholders. Underpinning this responsibility is an appropriate Corporate Governance framework, specifically designed to meet the needs of JCB and is based on the Wates Principles. The framework ensures the values, strategy and culture of the group are communicated and followed.

Purpose and leadership

The group's mission is to grow by providing innovative, strong and high-performance products and solutions to meet the needs of global customers, supported by superior customer care. This care extends to the environment and the community. The group wants to help build a better future where hard work and dedication are given their just reward. These fundamental principles drive the governance of the group.

Board composition

The directors possess the required skills and experience to run the business. Executive directors that are appointed have demonstrated substantial experience working within the group. The directors comprise the Chairman, Chief Executive Officer, executive directors and non-executive directors. The diversity of the board supports the group's values on gender equality. The directors meet on a regular basis, however additional meetings can be called as necessary to perform its functions.

J.C. Bamford Excavators Limited

Directors' report for the year ended 31 December 2024 (continued)

Purpose and leadership (continued)

Director responsibilities

The directors are responsible for the group's strategy, including the likely consequences of any decisions in the long term and the general conduct of the group's affairs. The directors review and oversee the group's policy in relation to employee remuneration (delegated to a remuneration committee); succession planning; risk management and internal control; safety and environmental matters; and regulatory compliance. A wider team of senior management is responsible for the operational management of the group with support and guidance from the directors. Clear written guidelines have been set outlining matters solely reserved for approval by the directors.

Opportunity and risk

The directors regularly review the strategies, opportunities and risks faced by the group. A group risk and control committee meets on a monthly basis to identify and monitor risks and these are communicated to senior management. The principal risks facing the group are set out in detail in the strategic report.

Remuneration

The directors ensure that remuneration for all employees is appropriate and fair. The directors of J.C.B. Service have appointed a remuneration committee comprising certain directors and advisors that is responsible for senior directors pay and benefits. Remuneration is linked to the achievement of the group as well as personal performance. The directors are mindful of the gender pay gap and report on this annually on the group's website.

Stakeholder relationships and engagement

The directors acknowledge the need to encourage employee involvement in the improvement of the group's performance by supporting individual training and performance plans. Important information is supplied and feedback is obtained through regular consultation with employees. Regarding the local community, the group has a long-standing tradition of providing support through various means including sponsoring local schools, recreational facilities and other good causes. In addition, the group regularly meets with local government representatives to discuss and understand the likely consequences of any decisions. The group's statement on stakeholder engagement is set out below.

Employee engagement

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.

The group 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 group 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 group'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.

Matters disclosed elsewhere within the financial statements

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

J.C. Bamford Excavators Limited

Directors' report for the year ended 31 December 2024 (continued)

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual 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 group and company 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 group and company and of the profit or loss of the group and 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 group and 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 group and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group 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.

On behalf of the board



G A Macdonald
Director

1 June 2025

J.C. Bamford Excavators Limited

Independent auditors' report to the members of J.C. Bamford Excavators Limited

Report on the audit of the financial statements

Opinion

In our opinion, J.C. Bamford Excavators Limited's group financial statements and company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the company's affairs as at 31 December 2024 and of the group's profit and the group's cash flows 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 Consolidated Financial Statements (the "Annual Report"), which comprise: the Consolidated and Company balance sheets as at 31 December 2024; the Consolidated profit and loss account, the Consolidated statement of comprehensive income, the Consolidated statement of cash flows and the Consolidated and Company statements 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 group 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, as applicable to other entities of public interest, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided.

We have provided no non-audit services to the company or its controlled undertakings in the period under audit.

Conclusions relating to going concern

Our evaluation of the directors' assessment of the group's and the company's ability to continue to adopt the going concern basis of accounting included:

- We obtained management's assessment that supports the Board's conclusions with respect to the disclosures provided around going concern and evaluated the mathematical accuracy of the cash flow model used for this assessment;
- Given the assessment relies on the continued financial support of J.C.B. Service, we have assessed the going concern position of that Group;
- We have considered the future cash flow requirements of J.C. Bamford Excavators Limited and the ability of J.C.B. Service to support these requirements;
- We obtained the most recent management accounts and assessed the liquidity position post-year end; and
- We have reviewed the wording of the letter of support to be provided by J.C.B. Service.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the 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 group's and 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.

J.C. Bamford Excavators Limited

Independent auditors' report to the members of J.C. Bamford Excavators Limited (continued)

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.

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 2024 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 group and company and their 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 group's and 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 group or 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.

J.C. Bamford Excavators Limited

Independent auditors' report to the members of J.C. Bamford Excavators Limited (continued)

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

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to health and safety regulations and 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 local and international 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:

- 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) in particular in relation to the carrying value of goodwill and investments;
- 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.

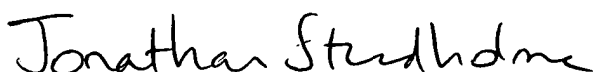
Other required reporting

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 company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Jonathan Studholme (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

Manchester

1 June 2025

J.C. Bamford Excavators Limited

Consolidated profit and loss account for the year ended 31 December 2024

	Note	2024 £m	2023 £m
Turnover	5	4,878.8	5,331.2
Cost of sales		(3,857.3)	(4,208.2)
Gross profit		1,021.5	1,123.0
Distribution costs		(225.7)	(253.1)
Administrative expenses		(328.9)	(342.6)
Operating profit	6	466.9	527.3
Share of associate's profit before tax		5.9	7.4
Interest receivable and similar income	9	26.9	47.8
Interest payable and similar expenses	10	(55.7)	(67.2)
Profit before taxation		444.0	515.3
Tax on profit	11	(128.0)	(129.3)
Profit for the financial year		316.0	386.0

All activities are derived from continuing operations.

Consolidated statement of comprehensive income for the year ended 31 December 2024

	Note	2024 £m	2023 £m
Profit for the financial year		316.0	386.0
Other comprehensive income/(expense):			
Foreign exchange movements		(0.3)	(39.1)
Re-measurement of defined benefit pension liability	22	43.0	(24.6)
Movement on deferred tax relating to net defined benefit liability		(10.8)	6.2
Other comprehensive income/(expense) net of tax		31.9	(57.5)
Total comprehensive income for the year		347.9	328.5

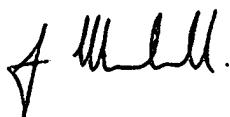
J.C. Bamford Excavators Limited

Consolidated balance sheet as at 31 December 2024

	Note	2024 £m	2023 £m
Fixed assets			
Intangible assets	13	18.2	22.1
Tangible assets	14	533.6	499.2
Investments	15	9.5	10.3
		561.3	531.6
Current assets			
Stock	16	666.3	595.1
Debtors	17	747.6	1,086.7
Investments	18	15.4	7.7
Cash at bank and in hand		265.1	415.6
		1,694.4	2,105.1
Creditors: amounts falling due within one year	19	(1,113.9)	(1,145.4)
Net current assets		580.5	959.7
Total assets less current liabilities		1,141.8	1,491.3
Creditors: amounts falling due after more than one year	20	(0.6)	(0.6)
Provisions for liabilities	21	(109.0)	(96.1)
Pension scheme deficit	22	(136.1)	(191.4)
Net assets		896.1	1,203.2
Capital and reserves			
Called up share capital	24	0.1	0.1
Share premium account	25	5.0	5.0
Retained earnings	25	891.0	1,198.1
Total equity		896.1	1,203.2

The financial statements on pages 11 to 43 were approved by the board of directors on
signed on its behalf by:

1 June 2025 and were



G A Macdonald
Director

Registered number: 00561597

J.C. Bamford Excavators Limited

Company balance sheet as at 31 December 2024

	Note	2024 £m	2023 £m
Fixed assets			
Intangible assets	13	9.9	12.4
Tangible assets	14	188.0	175.3
Investments	15	239.8	239.8
		437.7	427.5
Current assets			
Stock	16	87.3	86.7
Debtors	17	526.8	834.5
Investments	18	15.4	7.7
Cash at bank and in hand		251.6	239.4
		881.1	1,168.3
Creditors: amounts falling due within one year	19	(542.3)	(579.6)
Net current assets		338.8	588.7
Total assets less current liabilities		776.5	1,016.2
Creditors: amounts falling due after more than one year	20	(0.6)	(0.6)
Provisions for liabilities	21	(59.4)	(50.5)
Pension scheme deficit	22	(136.1)	(191.4)
Net assets		580.4	773.7
Capital and reserves			
Called up share capital	24	0.1	0.1
Share premium account	25	5.0	5.0
Retained earnings	25	575.3	768.6
Total equity		580.4	773.7

The company has taken advantage of Section 408 of the Companies Act 2006 not to publish its own profit and loss account. The company's profit for the financial year was £431.5 million (2023: £348.3 million).

The financial statements on pages 11 to 43 were approved by the board of directors on signed on its behalf by:

/ June 2025 and were



G A Macdonald
Director

Registered number: 00561597

J.C. Bamford Excavators Limited

Consolidated statement of cash flows for the year ended 31 December 2024

	Note	2024	2024	2023	2023
		£m	£m	£m	£m
Net cash inflow from operating activities	26		726.5		838.9
Taxation paid			(121.4)		(100.9)
Net cash generated from operating activities			605.1		738.0
Cash flow from investing activities					
Purchase of tangible assets			(76.1)		(89.8)
Proceeds from sale of tangible assets			1.2		12.3
Interest received	9		26.9		47.8
Dividends received from associate	15		5.0		5.0
Net cash used in investing activities			(43.0)		(24.7)
Cash flow from financing activities					
Dividends paid to shareholders	12		(655.0)		(547.5)
Interest paid	10		(55.7)		(67.2)
Net cash used in financing activities			(710.7)		(614.7)
Net (decrease)/increase in cash and cash equivalents			(148.6)		98.6
Cash and cash equivalents at the beginning of the year			415.5		323.7
Foreign exchange translation adjustment			(1.8)		(6.8)
Cash and cash equivalents at the end of the year			265.1		415.5
Cash and cash equivalents consists of:					
Cash at bank and in hand			265.1		415.6
Overdrafts	19		-		(0.1)
Cash and cash equivalents			265.1		415.5

J.C. Bamford Excavators Limited

Consolidated statement of changes in equity for the year ended 31 December 2024

	Note	Called up share capital	Share premium account	Retained earnings	Total equity
		£m	£m	£m	£m
Balance as at 1 January 2023		0.1	5.0	1,417.1	1,422.2
Profit for the financial year		-	-	386.0	386.0
Other comprehensive expense for the year		-	-	(57.5)	(57.5)
Total comprehensive income for the year		-	-	328.5	328.5
Dividends paid	12	-	-	(547.5)	(547.5)
Balance as at 31 December 2023		0.1	5.0	1,198.1	1,203.2
Profit for the financial year		-	-	316.0	316.0
Other comprehensive income for the year		-	-	31.9	31.9
Total comprehensive income for the year		-	-	347.9	347.9
Dividends paid	12	-	-	(655.0)	(655.0)
Balance as at 31 December 2024		0.1	5.0	891.0	896.1

Company statement of changes in equity for the year ended 31 December 2024

	Note	Called up share capital	Share premium account	Retained earnings	Total equity
		£m	£m	£m	£m
Balance as at 1 January 2023		0.1	5.0	989.4	994.5
Profit for the financial year		-	-	348.3	348.3
Other comprehensive expense for the year		-	-	(21.6)	(21.6)
Total comprehensive income for the year		-	-	326.7	326.7
Dividends paid	12	-	-	(547.5)	(547.5)
Balance as at 31 December 2023		0.1	5.0	768.6	773.7
Profit for the financial year		-	-	431.5	431.5
Other comprehensive expense for the year		-	-	30.2	30.2
Total comprehensive income for the year		-	-	461.7	461.7
Dividends paid	12	-	-	(655.0)	(655.0)
Balance as at 31 December 2024		0.1	5.0	575.3	580.4

J.C. Bamford Excavators Limited

Notes to the financial statements for the year ended 31 December 2024

1. General information

The principal activity of J.C. Bamford Excavators Limited and its subsidiaries (together the 'group') is the design, manufacture, marketing and sale of machines primarily for the construction and agricultural industries.

The company is incorporated and domiciled in England, UK. The address of its registered office is Lakeside Works, Rocester, Uttoxeter, Staffordshire, ST14 5JP.

2. Statement of compliance

The consolidated financial statements of J.C. Bamford Excavators 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 the results of the group headed by the company are included in the consolidated financial statements of J.C.B. Service, which are publicly available. The group has taken advantage of the disclosure exemptions set out in paragraph 1.12 of FRS 102 specifically in relation to the disclosure of transactions between companies within the same group. The group 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 group 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 28.

The company has taken the exemption available in paragraph 408 of the Companies Act 2006 to not disclose its own profit and loss account. The profit recorded by the company in the year ended 31 December 2024 totalled £431.5 million (2023: £348.3 million).

The FRC issued Amendments to FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland and other FRSS – Periodic Review 2024 in March 2024. The amendments focus on updating accounting requirements to reflect changes in IFRS Accounting Standards, particularly with respect to revenue and leases, and making other incremental improvements and clarifications. Whilst this is not applicable in the current year, they may result in significant changes for accounting periods beginning on or after 1 January 2026. The Group is in the process of assessing the potential impact of this standard on the financial statements. Until the impact assessment is complete, it is not practical to provide a reasonable estimate of the financial effect of these changes.

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 for 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.

In preparing the financial statements of the Group we have considered the impact of climate change. We expect there to be no material impact on the financial statements for the current year from the Group's consideration of the impact of climate change, including estimates and judgements made, specifically in the impairment and going concern analyses. The Group's analysis on the impact of climate change continues to evolve as more clarity on timings and targets emerges, with the Group committed to reducing its carbon impact.

J.C. Bamford Excavators Limited

Notes to the financial statements for the year ended 31 December 2024 (continued)

3. Summary of significant accounting policies (continued)

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.

Basis of consolidation and accounting for other investments

Subsidiaries

The consolidated financial statements incorporate the financial statements of J.C. Bamford Excavators Limited and entities controlled by J.C. Bamford Excavators Limited (its subsidiaries) made up to the reporting date each year. Control is achieved where J.C. Bamford Excavators Limited has the power to govern the financial and operating policies of an investee entity so as to obtain benefits from its activities.

On acquisition, the assets, liabilities and contingent liabilities of a subsidiary are measured at their fair value at the date of acquisition. Any excess of the cost of the acquisition over the fair values of the identifiable net assets acquired is recognised as goodwill. Any negative goodwill that arises where the fair value of the group's interest in the identifiable assets and liabilities acquired of a subsidiary undertaking exceeds the fair value of the consideration given is recognised in the balance sheet and is credited to the profit and loss account in the period in which the non-monetary assets are recovered.

The results of subsidiaries acquired or disposed of during the year are included in the profit and loss account from the effective date of acquisition or disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies into line with those used by the group.

All intra-group balances and transactions are eliminated on consolidation and all unrealised gains on transactions between group companies are eliminated on consolidation.

Associates

Associates are entities over which the group has significant influence but not control. Investments in associates are accounted for using the equity method of accounting. The Group considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

The group's share in associates' post-acquisition profits or losses is recognised in the profit and loss account.

Unrealised gains on transactions between group companies and transactions between the group and its associates are eliminated to the extent of the group's interest in each associate. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Foreign currency

The group and company's presentational currency is the pound sterling. Therefore these consolidated financial statements are presented in pounds sterling and have been rounded to the nearest hundred 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.

The trading results of group undertakings are translated into sterling at the average exchange rates for the year. The assets and liabilities of overseas undertakings, including goodwill and fair value adjustments arising on acquisition, are translated at the exchange rates ruling at the year end. Exchange adjustments arising from the retranslation of opening net investments, net assets of overseas subsidiaries including long term funding balances with those subsidiaries and from the translation of the profits or losses at average rates are recognised in other comprehensive income.

J.C. Bamford Excavators Limited

Notes to the financial statements for the year ended 31 December 2024 (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 machines and parts supplied or services rendered to customers outside of the group, excluding VAT and sales taxes and net of sales incentives.

The group and company recognises turnover from sales of products when significant risk and rewards have been transferred to external parties, normally on an ex-works basis for machines and on despatch for parts. Turnover from standard warranty contracts is recognised on the sale of the machine. Turnover from extended warranty contracts is spread over the life of the contract.

Interest income is recognised using the effective interest rate method. Dividend and royalty 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 group operates. Provisions are included within accruals and are offset against revenue in the profit and loss account.

Employee benefits

The group and company operates several defined benefit pension schemes for the benefit of its employees, the assets of which are held separately from those of the company in independently administered funds.

The fair value of pension scheme assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the group's policy for similarly held assets. This includes the use of appropriate valuation techniques. Pension scheme liabilities are measured using the projected unit actuarial method and are discounted at the current rate of return on a high quality corporate bond of equivalent terms and currency to the liability as determined by an independent actuary. The increase in the present value of the liabilities of the group's defined benefit pension schemes expected to arise from employee service in the period is charged to operating profit. The interest income and the increase during the year in the present value of the schemes' liabilities arising from the passage of time are included in interest and are calculated based on the discount rate. Curtailment gains are recognised in the profit and loss account. Remeasurement gains and losses are recognised in other comprehensive income.

Pension schemes' surpluses, to the extent that they are considered recoverable, or deficits are recognised in full and presented on the face of the balance sheet.

The group and company also operate a number of defined contribution pension schemes. The assets of these schemes are held in separately administered funds from the group and company. The pension charge represents contributions payable by the group and company to the funds.

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.

J.C. Bamford Excavators Limited

Notes to the financial statements for the year ended 31 December 2024 (continued)

3. Summary of significant accounting policies (continued)

Taxation (continued)

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.

Intangible assets - Goodwill

Goodwill on consolidation, representing the excess of the cost of shares in subsidiaries over their net assets at the date of acquisition, is amortised to the profit and loss account on a straight line basis over its estimated useful economic life which is no more than 20 years.

Impairment of tangible and intangible assets

Annually, the group and company assess whether there are any indicators that the carrying amount of goodwill and other tangible assets may be impaired. Where indicators of impairment are identified, the group and company perform an impairment test to determine the recoverable amount of goodwill and other tangible assets. In assessing recoverable amount the group and company look at the higher of the asset's value in use and its fair value less cost to sell. Where the recoverable amount is less than the asset's carrying amount an impairment is recognised which is charged to the profit and loss account. For tangible assets where the factors that gave rise to the impairment have reversed, and the recoverable amount is determined to exceed the carrying amount, the impairment is reversed, such as to bring the asset back to the value it would have been carried at prior to the impairment charge being recognised, to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation and amortisation) had no impairment loss been recognised in prior periods.

Tangible fixed assets

The cost of tangible fixed 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:

Freehold buildings	1 - 5%
Leasehold land and buildings	Shorter of lease period and 50 years
Plant and machinery	10 - 33.3%
Fixtures, fittings and equipment	4 - 33.3%
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.

Stocks and work in progress

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 and includes direct materials, labour and appropriate works overhead.

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.

J.C. Bamford Excavators Limited

Notes to the financial statements for the year ended 31 December 2024 (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.

Warranty provision

Provision is made for the group and company's estimated liability on all machines still under warranty, including claims already received. The provision is charged against trading profits and is included in provisions for liabilities, with amounts recoverable from suppliers included within other debtors.

Research and development

Expenditure on research and development is incurred continuously and is expensed as incurred.

Repairs and renewals

All repairs and renewals are expensed as incurred.

Government grants

Government grants are not recognised until there is reasonable assurance that the group will comply with the conditions and the grants will be received. FRS 102 allows for government grants to be accounted for under either the performance or accruals model. The group applies either the performance or accruals model to different classes of government grants with each class of grant being accounted for under a consistent model. In determining whether grants represent different classes the issuing body, country of issue, performance conditions and specific terms are considered to determine whether grants should be treated as separate classes of grant.

Grants accounted for using the performance model recognise the entire amount of the grant when performance conditions are met. Where performance conditions are not met in full at the year end, the grant is taken to deferred income and released to the profit and loss account when the remaining performance conditions are met.

Grants accounted for using the accruals model recognise the amount of the grant over the period the associated costs are incurred. Where grants relate to capital expenditure items, grant income will be recognised over the same useful life over which the capital items are being depreciated. Where grant income relates to employee or other costs the grant income will be recognised in line with the proportion of costs incurred in any one financial period. Where amounts are received in excess of that which can be recognised in a financial period the excess amount is taken to deferred income and is released in subsequent periods. Grants that become receivable under the accruals model in respect of capital expenditure already depreciated or employee or other costs already incurred shall be recognised as income in the period they become receivable.

Investments

Fixed asset investments are included in the balance sheet at their cost on acquisition. Where appropriate, provision is made for any impairment in their value. Current asset investments are carried at fair value and the changes in fair value are recognised in profit or loss.

Finance costs

Finance costs incurred in securing the group's financing arrangements are capitalised and amortised over the term of the associated debt.

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.

J.C. Bamford Excavators Limited

Notes to the financial statements for the year ended 31 December 2024 (continued)

3. Summary of significant accounting policies (continued)

Dividends

Dividends and other distributions to the group and 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 group and 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.

Trade debtors are recorded at original invoice price less any provision for bad or doubtful debts. Initial recognition is at transaction price, subsequently measured at amortised cost. Trade debtors are derecognised when sold under non-recourse invoice discounting agreements and substantially all of the risks and rewards of ownership of the debtor have been transferred. The settlement of discounted invoices are treated as operating items in the cash flow statement.

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 a 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.

(ii) Financial liabilities

Basic financial liabilities, including trade and other creditors, bank and other loans, loans from fellow group 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.

J.C. Bamford Excavators Limited

Notes to the financial statements for the year ended 31 December 2024 (continued)

3. Summary of significant accounting policies (continued)

Financial instruments (continued)

(iii) 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 the liability simultaneously.

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 has not made any significant judgements in preparing these financial statements.

Critical accounting estimates and assumptions

The group and company make 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.

Useful economic lives and recoverability of intangible assets

The useful economic lives of intangible assets are determined by the directors upon inception and are re-assessed annually. They are amended to reflect any degradation of the asset that becomes apparent. See note 13 for the carrying amount of intangible assets.

There are a number of assumptions made when performing annual impairment reviews over the group and company's tangible and the group's intangible assets. Where an indicator of impairment exists, determining whether such assets are impaired requires an estimation of the value in use of the assets, based upon expected future cash flows and a suitable discount rate.

Stock provisioning

The group and company consider the recoverability of the cost of stock and makes an estimate of the associated provision required. When calculating the stock provision, management considers the nature and condition of its stock, as well as applying assumptions around anticipated saleability of finished goods and future usage of raw materials. See note 16 for the net carrying amount of the stock and associated provision.

Defined benefit pension scheme

The group and company have an obligation to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including; life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. Management employs actuaries to estimate these factors in determining the net pension obligation in the balance sheet. The assumptions reflect historical experience and current trends. See note 22 for the disclosures relating to the defined benefit pension schemes.

Standard warranty provision

The group and company consider the future cost of standard warranty claims and makes and estimate of the provision arising. When calculating the provision required, management considers its obligation to make good eligible issues within the relevant warranty period for those product lines having warranty conditions attached, and takes into account historical data, known performance issues and supplier recoveries. See note 21 for the warranty movement and year end provision.

J.C. Bamford Excavators Limited

Notes to the financial statements for the year ended 31 December 2024 (continued)

4. Critical accounting judgements and estimation uncertainty (continued)

Sales incentives

Under certain conditions the group and company offer 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.

Accumulated experience is used to estimate and provide for sales incentives using the expected value method. An accrual is made at each balance sheet date as a deduction from revenue to reflect management's best estimate of amounts to be paid in respect of arrangements in place with customers in relation to sales that have already occurred.

Taxation

Transactions may occur during the normal course of business where the final tax determination is uncertain. Where such transactions occur, the group recognises liabilities for these transactions based on the likelihood that an additional liability will arise and an estimate of any additional tax that may become payable. In estimating the value of any uncertain tax positions, the group exercises judgement based on past experience and previous legal interpretations. Any differences between the estimated and actual tax liabilities are recognised in the financial statements in the year in which the uncertain position becomes known.

In the case of deferred tax arising on the unremitted earnings of the group's overseas subsidiaries, provision is made for the amount that is expected to be settled, based on management's judgement as to the probable amount of repatriation to the UK in the foreseeable future.

5. Turnover

An analysis of turnover by geographical market is given below:

	2024	2023
	£m	£m
UK & Ireland	702.1	791.8
Europe	775.6	854.5
North America	1,629.4	1,990.8
Middle East	114.6	111.9
Australia and the Far East	66.7	136.5
Africa	26.8	47.8
Latin America	96.0	80.3
India	1,467.6	1,317.6
	4,878.8	5,331.2

The J.C. Bamford Excavators Limited group of companies is engaged in a single class of business: the design, manufacture, marketing and sale and after sales care of a comprehensive range of excavating, earthmoving, materials handling and agricultural machines.

J.C. Bamford Excavators Limited

Notes to the financial statements for the year ended 31 December 2024 (continued)

6. Operating profit

Operating profit is stated after (crediting)/charging:

	2024	2023
	£m	£m
Government grants	(2.7)	(5.0)
Depreciation of tangible assets (note 14)	38.9	37.8
Loss on sale of tangible assets	0.5	0.7
Amortisation of goodwill (note 13)	3.9	3.9
Foreign currency losses	13.8	18.5
Research and development expenditure	91.7	93.7
Hire of machinery and equipment	8.6	7.0

Government grants relate solely to income from the State Government of Rajasthan for investment in manufacturing facilities in the locality which are accounted for under the performance model.

Services provided by the company's auditors:

During the year the group (including its overseas subsidiaries but excluding associates) obtained the following services from the company's auditors and their associates:

	2024	2023
	£m	£m
Fees payable to the company's auditors and their associates for the audit of the parent company and consolidated financial statements	0.7	0.7
Fees payable to the company's auditors and their associates for other services:		
The audit of the company's subsidiaries	0.6	0.5
	1.3	1.2

7. Particulars of employees

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

	Group		Company	
	2024	2023	2024	2023
	Number	Number	Number	Number
Directors	5	5	5	5
Administration and service	2,878	2,601	1,086	919
Production	8,242	7,230	2,129	2,064
	11,125	9,836	3,220	2,988

The aggregate payroll costs of these persons were as follows:

	Group		Company	
	2024	2023	2024	2023
	£m	£m	£m	£m
Wages and salaries	361.5	340.7	172.9	158.6
Social security costs	38.0	29.1	23.9	15.8
Defined benefit pension cost	1.7	2.2	1.7	2.2
Defined contribution pension cost	17.4	15.4	11.5	10.3
	418.6	387.4	210.0	186.9

J.C. Bamford Excavators Limited

Notes to the financial statements for the year ended 31 December 2024 (continued)

7. Particulars of employees (continued)

Key management compensation

Key management includes the directors and members of senior management. The compensation paid or payable to key management personnel for employee services is shown below:

	2024	2023
	£m	£m
Salaries and other benefits	11.9	11.2

8. Directors' emoluments

The directors' emoluments for the year were as follows:

	2024	2023
	£m	£m
Directors' emoluments	5.7	5.9

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

	2024	2023
	Number	Number
Defined benefit	-	-

The aggregate emoluments of the highest paid director (excluding pension contributions) were £3.3 million (2023: £3.3 million).

9. Interest receivable and similar income

	2024	2023
	£m	£m
Short-term deposits	9.7	9.2
Group interest	17.2	38.6
	26.9	47.8

10. Interest payable and similar expenses

	2024	2023
	£m	£m
Interest payable on bank overdraft	1.6	2.4
Discounting charges	31.2	43.0
Net interest expense on pension schemes	6.9	-
Group interest	16.0	21.8
	55.7	67.2

In 2024 net interest expenses on pension schemes of £6.9 million have been reclassified from administrative expenses to better reflect the nature of the expense.

J.C. Bamford Excavators Limited

Notes to the financial statements for the year ended 31 December 2024 (continued)

11. Tax on profit

Analysis of charge in the year

	2024 £m	2023 £m
Current tax		
UK corporation tax credit	(30.8)	(24.4)
Adjustment in respect of prior years	1.5	10.7
UK corporation tax	(29.3)	(13.7)
Foreign tax	145.1	107.0
Adjustment in respect of prior years	6.5	(2.6)
Total current tax	122.3	90.7
Deferred tax		
Origination and reversal of timing differences	6.8	39.4
Adjustment in respect of prior years	(1.1)	(0.8)
Total deferred tax	5.7	38.6
Total tax on profit	128.0	129.3

Factors affecting current year tax charge

The tax assessed on the profit for the year is higher than (2023: higher than) the standard rate of corporation tax in the UK of 25.0% (2023: 23.5%).

The differences are explained below:

	2024 £m	2023 £m
Profit before taxation	444.0	515.3
Profit before taxation multiplied by the standard rate of corporation tax in the UK of 25.0% (2023: 23.5%)	111.0	121.1
Expenses not deductible for tax purposes	13.2	7.5
Other permanent differences	(37.4)	(41.7)
Adjustment in respect of foreign tax rates on trading income	(3.3)	4.0
Tax on overseas distributions	37.6	31.1
Adjustment in respect of prior years	6.9	7.3
Total tax for the year	128.0	129.3

The aggregate current and deferred tax relating to items that are recognised as items of other comprehensive income is a charge of £10.8 million (2023: credit of £6.2 million).

Future tax changes

The UK headline corporation tax rate for the year was 25.0% (2023: 23.5%). On 1 April 2023, the rate of UK corporation tax increased from 19% to 25% as enacted in Finance Act 2021. There has been no change to the corporation tax rate for the financial year ended 31 December 2024. UK deferred tax assets and liabilities have been calculated at a rate of 25% (2023: 25%).

J.C. Bamford Excavators Limited

Notes to the financial statements for the year ended 31 December 2024 (continued)

12. Dividends paid

Group and Company

	2024	2023
	£m	£m
Equity dividends £6,550 per share (2023: £5,475 per share)	655.0	547.5

13. Intangible fixed assets

Group

	Goodwill £m
Cost	
As at 1 January 2024 and 31 December 2024	84.8
Accumulated amortisation	
As at 1 January 2024	62.7
Charge for the year	3.9
As at 31 December 2024	66.6
Net book value at 31 December 2024	18.2
Net book value at 31 December 2023	22.1

Goodwill on the acquisitions of JCB India Limited, JCB Landpower Ltd. and JCB Golf and Country Club Limited, and the acquisition of the trade and assets of the utility products business has been capitalised and is being amortised over a period equating to the directors' estimate of useful economic life which is not more than 20 years.

Amortisation is charged in administrative expenses.

Company

	Goodwill £m
Cost	
As 1 January and 31 December 2024	32.2
Accumulated amortisation	
As at 1 January 2024	19.8
Charge for the year	2.5
As at 31 December 2024	22.3
Net book value at 31 December 2024	9.9
Net book value at 31 December 2023	12.4

Purchased goodwill on the acquisition of the utility products business has been capitalised and is being amortised over a period equating to the directors' estimate of useful economic life which is not more than 13 years.

Amortisation is charged in administrative expenses.

J.C. Bamford Excavators Limited

Notes to the financial statements for the year ended 31 December 2024 (continued)

14. Tangible fixed assets

Group	Land & Buildings	Plant & Machinery	Fixtures, Fittings, & Equipment	Motor Vehicles	Assets in Course of Construction	Total
	£m	£m	£m	£m	£m	£m
Cost						
As at 1 January 2024	310.3	368.6	239.1	11.1	90.2	1,019.3
Additions	4.9	21.2	5.0	1.7	43.3	76.1
Disposals	(1.5)	(0.7)	(1.8)	(0.6)	-	(4.6)
Reclassifications	12.2	15.5	3.1	-	(30.8)	-
Currency adjustments	(0.3)	(1.1)	-	-	(0.1)	(1.5)
As at 31 December 2024	325.6	403.5	245.4	12.2	102.6	1,089.3
Accumulated depreciation						
As at 1 January 2024	87.0	272.2	153.1	7.8	-	520.1
Charge for the year	5.9	19.0	12.6	1.4	-	38.9
Disposals	(0.2)	(0.7)	(1.7)	(0.3)	-	(2.9)
Reclassifications	-	2.2	(2.2)	-	-	-
Currency adjustments	0.1	(0.6)	0.1	-	-	(0.4)
As at 31 December 2024	92.8	292.1	161.9	8.9	-	555.7
Net book value at 31 December 2024	232.8	111.4	83.5	3.3	102.6	533.6
Net book value at 31 December 2023	223.3	96.4	86.0	3.3	90.2	499.2

Included within land and buildings is freehold land of £49.7 million (2023: £33.3 million) that is not depreciated.

Depreciation is charged in cost of sales, distribution costs and administrative expenses.

Company	Land & Buildings	Plant & Machinery	Fixtures, Fittings, & Equipment	Motor Vehicles	Assets in Course of Construction	Total
	£m	£m	£m	£m	£m	£m
Cost						
As at 1 January 2024	84.3	110.7	186.8	10.7	39.6	432.1
Additions	0.5	3.4	3.2	1.8	21.0	29.9
Disposals	-	(0.5)	(1.5)	(0.5)	-	(2.5)
Reclassifications	3.8	(1.5)	5.4	-	(7.7)	-
As at 31 December 2024	88.6	112.1	193.9	12.0	52.9	459.5
Accumulated depreciation						
As at 1 January 2024	43.5	90.2	115.6	7.5	-	256.8
Charge for the year	1.8	3.9	9.7	1.4	-	16.8
Disposals	0.1	(0.4)	(1.6)	(0.2)	-	(2.1)
Reclassifications	-	(0.8)	0.8	-	-	-
As at 31 December 2024	45.4	92.9	124.5	8.7	-	271.5
Net book value at 31 December 2024	43.2	19.2	69.4	3.3	52.9	188.0
Net book value at 31 December 2023	40.8	20.5	71.2	3.2	39.6	175.3

Included within land and buildings is freehold land of £1.6 million (2023: £1.6 million) that is not depreciated.

Depreciation is charged in cost of sales and administrative expenses.

J.C. Bamford Excavators Limited

Notes to the financial statements for the year ended 31 December 2024 (continued)

14. Tangible fixed assets (continued)

Capital commitments

	Group		Company	
	2024	2023	2024	2023
	£m	£m	£m	£m
Contracted but not provided for in the financial statements	88.7	48.8	8.5	35.1

15. Investments

	Group		Company	
	2024	2023	2024	2023
	£m	£m	£m	£m
Shares in subsidiary companies				
Cost as at 1 January and 31 December	-	-	249.6	249.6
Provision as at 1 January and 31 December	-	-	(9.8)	(9.8)
Net book value as at 1 January and 31 December	-	-	239.8	239.8
Loan to related company				
As at 1 January	-	0.1	-	0.1
Disposals	-	(0.1)	-	(0.1)
As at 31 December	-	-	-	-
Loan to group company				
As at 1 January	-	0.2	-	0.2
Disposals	-	(0.2)	-	(0.2)
As at 31 December	-	-	-	-
Total fixed asset investments (excluding associates)	-	-	239.8	239.8

Loan to related company

This represented a loan to JCB Access Limited, a company incorporated in the UK, in which The Lord Bamford DL previously had an interest as a shareholder.

	Group		Company	
	2024	2023	2024	2023
	£m	£m	£m	£m
Investment in associates				
At 1 January	10.3	9.2	-	-
Share of profit after taxation	4.2	6.1	-	-
Dividend	(5.0)	(5.0)	-	-
At 31 December	9.5	10.3	-	-

The group has a 25% investment in the ordinary share capital of JCB Finance Limited, a company incorporated in the UK that provides instalment credit and leasing facilities. The investment is accounted for using the equity method.

J.C. Bamford Excavators Limited

Notes to the financial statements for the year ended 31 December 2024 (continued)

15. Investments (continued)

Group undertakings

At 31 December 2024 the company has the following subsidiary and associate companies. All equity holdings are in ordinary shares. The Directors consider the value of investments to be supported by the underlying assets and future trading forecasts.

	Equity held	Principal business	Country of incorporation
A Bamford Trading Company Limited*	100%	Non-trading	UK
Doxford Engines Limited*	100%	Non-trading	UK
J.C. Bamford Investments Private Limited	100%	Holding company	India
JCB Limited*	100%	Holding company	UK
JCB Backhoe Loaders Limited*	100%	Non trading	UK
JCB Credit Limited*	100%	Non-trading	UK
JCB Excavators Limited*	100%	Non-trading	Canada
JCB Finance Limited	25%	Financial services	UK
JCB Garage Limited***	100%	Motor vehicle maintenance	UK
JCB Golf and Country Club Limited	100%	Golf and leisure facilities	UK
JCB Hydrapower*	100%	Non-trading	UK
JCB Hydropower*	100%	Non-trading	UK
JCB Heavy Products Limited	100%	Equipment manufacturer and sales	UK
JCB India Limited	100%	Equipment manufacturer	India
JCB Insurance Services Limited	100%	Insurance broker	UK
JCB Landpower Ltd.	50%	Equipment manufacture and sales	UK
JCB Management Services*	100%	Non-trading	UK
JCB Materials Handling Limited*	100%	Non-trading	UK
JCB Power Systems Limited	100%	Engine manufacturer and sales	UK
JCB US Holdings Inc	98%	Holding company	USA
L Gardner & Sons Limited*	100%	Non-trading	UK

J.C. Bamford Excavators Limited

Notes to the financial statements for the year ended 31 December 2024 (continued)

15. Investments (continued)

Group undertakings (continued)

Through its holding in the subsidiary companies listed above, the company also has an interest in:

	Equity held	Principal business	Country of incorporation
JCB Atlanta Real Estate LLC	98%	Real estate	USA
JCB Dallas Real Estate LLC	98%	Real estate	USA
JCB Finance Company	98%	Finance company	USA
JCB Financiers Private Limited**	100%	Finance company	India
JCB Houston Real Estate LLC	98%	Real estate	USA
JCB Inc	98%	Equipment distributor	USA
JCB Industries Private Limited	100%	Manufacturing company	India
JCB Literature Foundation**	100%	Charitable purposes	India
JCB Manufacturing Inc	98%	Equipment manufacturer	USA
JCB Miami LLC	98%	Equipment distributor	USA
JCB Miami Real Estate LLC	98%	Non-trading	USA
JCB Nashville LLC	98%	Equipment distributor	USA
JCB Nashville Real Estate LLC	98%	Real estate	USA
JCB North America Limited	98%	Holding company	UK
JCB Northern California LLC *	98%	Non-trading	USA
JCB Northern California Real Estate LLC*	98%	Real estate	USA
JCB Southern California LLC	98%	Equipment distributor	USA
JCB Southern California Real Estate LLC	98%	Real estate	USA
JCB Texas LLC	98%	Equipment manufacturer	USA
Lady Bamford Foundation**	100%	Charitable purposes	India
North Georgia Construction LLC	98%	Equipment distributor	USA

The companies marked with an asterisk (*) are dormant subsidiaries that are exempt from preparing individual financial statements under s.394A, exempt from filing individual financial statements with the registrar under s.448A and exempt from audit under s.479A of the Companies Act 2006.

The companies marked with two asterisks (**) are not consolidated because they are not material to the group. The registered addresses of these companies are included in note 30.

The company marked with three asterisks (***) is exempt from audit as J.C. Bamford Excavators Limited has provided a guarantee under s.479A of the Companies Act 2006.

J.C. Bamford Excavators Limited

Notes to the financial statements for the year ended 31 December 2024 (continued)

16. Stock

	Group		Company	
	2024	2023	2024	2023
	£m	£m	£m	£m
Raw materials	313.4	291.0	64.4	60.7
Work in progress	32.0	39.2	22.5	21.1
Finished goods	320.9	264.9	0.4	4.9
	666.3	595.1	87.3	86.7

During the year group stock recognised as an expense in cost of sales was £3,695.4 million (2023: £4,045.2 million). The company recognised £1,566.0 million (2023: £1,647.9 million) of stock as an expense in cost of sales.

Stocks are stated after provisions for impairment of £53.2 million (2023: £40.4 million) for the group and £9.4 million (2023: £8.1 million) for the company. The value of stock in the balance sheet is not materially different from the replacement cost.

17. Debtors

	Group		Company	
	2024	2023	2024	2023
	£m	£m	£m	£m
Trade debtors	117.5	106.8	0.9	1.1
Amounts owed by J.C.B. Service group undertakings	288.0	284.4	190.3	225.0
Amounts owed by subsidiary undertakings	-	-	122.9	86.2
Amounts owed by related parties outside the J.C.B. Service group	68.7	404.8	68.7	375.3
Other taxation and social security	46.6	45.3	9.5	9.3
Corporation tax	43.9	43.0	36.5	16.3
Deferred tax	68.1	79.1	25.6	36.1
Other debtors	98.4	103.2	61.3	73.5
Prepayments and accrued income	16.4	20.1	11.1	11.7
	747.6	1,086.7	526.8	834.5

Group trade debtors are stated net of amounts discounted without recourse of £202.8 million (2023: £254.5 million). There were no amounts discounted without recourse for the company in the current or prior year.

A bad debt provision of £3.3 million (2023: £3.3 million) has been recognised against group trade debtors. No provision was made for the company in the current or prior year. No other category of debtors is deemed to be impaired.

Of the amounts owed by J.C.B. Service group and subsidiary undertakings, £284.7 million (2023: £278.9 million) owed to the group and £309.2 million (2023: £307.4 million) owed to the company are trading balances and do not gather interest. The remaining balance relates to loans which carry rates of interest between 4% and 8.75% (2023: 3% and 9%). All amounts owed by J.C.B. Service group undertakings, subsidiary undertakings and related parties outside the J.C.B. Service Group are repayable on demand.

J.C. Bamford Excavators Limited

Notes to the financial statements for the year ended 31 December 2024 (continued)

17. Debtors (continued)

Deferred tax

The movement in the deferred tax asset/(liability) excluding pension schemes during the year was:

	Group		Company	
	2024	2023	2024	2023
	£m	£m	£m	£m
As at 1 January	31.2	52.9	(11.8)	(5.5)
Deferred tax credited/(charged) to the profit and loss account	2.4	(19.4)	3.4	(6.3)
Currency adjustments	0.5	(2.3)	-	-
As at 31 December	34.1	31.2	(8.4)	(11.8)

The deferred tax asset/(liability) consists of the tax effect of timing differences in respect of:

	Group		Company	
	2024	2023	2024	2023
	£m	£m	£m	£m
Excess of taxation allowances over depreciation on fixed assets	(28.7)	(20.7)	(19.1)	(16.0)
Tax losses available	0.1	5.0	-	-
Other timing differences	62.7	46.9	10.7	4.2
As at 31 December	34.1	31.2	(8.4)	(11.8)

The movement in the deferred tax asset relating to pension schemes during the year was:

	Group and Company	
	2024	2023
	£m	£m
As at 1 January	47.9	40.9
Deferred tax (charged)/credited in profit and loss account	(3.1)	0.8
Deferred tax (charged)/credited to the statement of other comprehensive income	(10.8)	6.2
As at 31 December	34.0	47.9

The total amount of unrecognised deferred tax is £1.6 million (2023: £0.6 million) relating to carried forward tax losses. An asset has not been recognised due to the uncertainty of the future profitability of the companies to which it relates. These losses do not expire and can be carried forward indefinitely.

18. Current asset investments

	Group		Company	
	2024	2023	2024	2023
	£m	£m	£m	£m
Other investments	15.4	7.7	15.4	7.7

Other investments represents holdings of UK equities traded in active markets, the valuation of which is based on quoted market prices at the balance sheet date. The quoted market price used to value current asset investments held by the group and company is the bid price at the balance sheet date. A fair value gain on other investments of £7.6 million (2023: £1.6 million) have been recognised in administrative expenses during the year.

J.C. Bamford Excavators Limited

Notes to the financial statements for the year ended 31 December 2024 (continued)

19. Creditors: amounts falling due within one year

	Group		Company	
	2024	2023	2024	2023
	£m	£m	£m	£m
Bank loans and overdrafts	-	0.1	73.6	-
Trade creditors	515.8	489.5	247.1	261.2
Amounts owed to J.C.B. Service group undertakings	106.2	176.4	74.6	161.2
Amounts owed to subsidiary undertakings	-	-	22.0	12.4
Amounts owed to related parties	0.4	-	0.4	-
Taxation and social security	24.7	28.4	12.1	19.0
Other creditors	76.3	55.2	2.2	1.4
Sales incentives	110.6	96.5	-	-
Accruals	251.9	274.1	110.3	124.4
Deferred income	28.0	25.2	-	-
	1,113.9	1,145.4	542.3	579.6

The bank loans and overdrafts are repayable on demand.

Of the amounts owed to subsidiary and group undertakings, £10.9 million (2023: £39.2 million) owed by the group and £29.4 million (2023: £29.7 million) owed by the company are trading balances and do not gather interest. The remaining balance relates to loans which carry rates of interest between 0% and 5.75% (2023: 3% and 9%). All amounts owed to J.C.B. Service group undertakings and subsidiary undertakings are repayable on demand.

20. Creditors: amounts falling due after more than one year

	Group		Company	
	2024	2023	2024	2023
	£m	£m	£m	£m
Other creditors	0.6	0.6	0.6	0.6

21. Provisions for liabilities

Group

	2024	2024	2024	2023	2023	2023
	Deferred	Warranty	Total	Deferred	Warranty	Total
	tax	provision		tax	provision	
	£m	£m	£m	£m	£m	£m
As at 1 January	20.0	76.1	96.1	20.0	66.0	86.0
Charged to the profit and loss account	5.0	79.9	84.9	20.0	71.4	91.4
Amounts utilised during the year	-	(72.0)	(72.0)	(20.0)	(61.3)	(81.3)
As at 31 December	25.0	84.0	109.0	20.0	76.1	96.1

Company

	2024	2024	2024	2023	2023	2023
	Deferred	Warranty	Total	Deferred	Warranty	Total
	tax	provision		tax	provision	
	£m	£m	£m	£m	£m	£m
As at 1 January	20.0	30.5	50.5	-	25.7	25.7
Charged to the profit and loss account	5.0	34.7	39.7	20.0	31.7	51.7
Amounts utilised during the year	-	(30.8)	(30.8)	-	(26.9)	(26.9)
As at 31 December	25.0	34.4	59.4	20.0	30.5	50.5

J.C. Bamford Excavators Limited

Notes to the financial statements for the year ended 31 December 2024 (continued)

21. Provisions for liabilities (continued)

The group and company deferred tax liability relates to unremitted retained earnings of overseas subsidiaries.

It is expected that most standard warranty expenditure will be incurred in the next financial year, and nearly all will be incurred within two years of the balance sheet date. Included in other debtors (note 17) is an amount totalling £6.1 million (2023: £6.0 million) (group) and £10.5 million (2023: £9.2 million) (company) representing amounts recoverable from suppliers.

22. Pension scheme deficit (company and group)

Pension Schemes (net of deferred tax)	2024 £m	2023 £m
Defined benefit schemes with net liabilities	102.1	143.6

Previously, in the UK, pension arrangements were principally provided by two defined benefit schemes, J C Bamford Lifeplan and J C Bamford Excavators Limited Senior Directors and Executives Retirement Benefit Scheme (Senior Directors). The most recent formal actuarial valuations were carried out as at 6 April 2024 and 1 January 2024 respectively (both updated to 31 December 2024) by Mercer, a qualified independent actuary.

These schemes were both closed to future accruals in April 2021 and in the UK pension arrangements are now principally provided by the J C Bamford Stakeholder Pension Scheme and the J C Bamford SE Stakeholder Pension Scheme.

The amounts recognised in the balance sheet are as follows:

	2024 £m	2023 £m
Present value of funded obligations	(667.3)	(745.5)
Fair value of plan assets	565.6	591.4
Effect of surplus cap	(34.4)	(37.3)
Pension scheme deficit	(136.1)	(191.4)

The amounts recognised in the profit and loss within operating profit are as follows:

	2024 £m	2023 £m
Current service cost & scheme administration costs	3.5	4.1
Interest cost	35.1	35.2
Interest income on plan assets	(28.2)	(28.9)
Total pension cost recognised in the profit and loss account	10.4	10.4

The amounts recognised in the statement of comprehensive income are as follows:

	2024 £m	2023 £m
Remeasurement (gains)/losses immediately recognised	(38.3)	27.3
Effect of surplus cap	(4.7)	(2.7)
Total pension (gains)/losses recognised in the statement of comprehensive income	(43.0)	24.6

J.C. Bamford Excavators Limited

Notes to the financial statements for the year ended 31 December 2024 (continued)

22. Pension scheme deficit (company and group, continued)

Changes in the present value of the defined benefit obligations are as follows:

	2024	2023
	£m	£m
Benefit obligations at beginning of year	745.5	717.6
Current service cost	1.7	2.2
Interest cost	35.1	35.2
Remeasurement (gains)/losses	(83.1)	20.8
Benefits paid	(31.9)	(30.3)
Benefit obligations at end of year	667.3	745.5

Changes in the fair value of the plan assets are as follows:

	2024	2023
	£m	£m
Fair value of plan assets at beginning of year	591.4	592.3
Interest income on plan assets	28.2	28.9
Remeasurement gains	(44.8)	(6.5)
Employer's contributions	22.7	7.0
Benefits paid	(31.9)	(30.3)
Fair value of plan assets at end of year	565.6	591.4

Changes in the pension scheme deficit are as follows:

	2024	2023
	£m	£m
Pension scheme deficit at beginning of year	191.4	163.4
Current service cost	1.7	2.2
Interest cost	35.1	35.2
Interest income on plan assets	(28.2)	(28.9)
Remeasurement (gains)/losses	(38.3)	27.3
Employer's contributions	(22.7)	(7.0)
Effect of surplus cap	(2.9)	(0.8)
Pension scheme deficit at end of year	136.1	191.4

J.C. Bamford Excavators Limited

Notes to the financial statements for the year ended 31 December 2024 (continued)

22. Pension scheme deficit (company and group, continued)

The major categories of plan assets as percentages of total plan assets are as follows:

	J C Bamford Lifeplan		Senior Directors	
	2024	2023	2024	2023
Equities	56.0%	30.5%	-	-
Debt instruments	34.1%	59.1%	78.1%	76.4%
Real estate	7.8%	7.6%	-	-
Other	2.1%	2.8%	21.9%	23.6%
	100.0%	100.0%	100.0%	100.0%

Weighted average assumptions used to determine benefit obligations:

	J C Bamford Lifeplan		Senior Directors	
	2024	2023	2024	2023
Discount rate	5.55%	4.80%	5.55%	4.80%
Rate of salary increase	0.00%	0.00%	0.00%	0.00%
Rate of price inflation (RPI)	2.70%	2.50%	2.10%	2.00%
Rate of pension increases	2.95%	2.85%	2.95%	2.85%

Assumed life expectations on retirement at age 65

	JC Bamford Lifeplan		Senior Directors	
	2024	2023	2024	2023
	Years	Years	Years	Years
Male member age 65 (current life expectancy)	21.1	21.6	24.9	24.8
Male member aged 45 (life expectancy at age 65)	22.5	23.2	26.8	26.7
Female member age 65 (current life expectancy)	23.5	24.1	26.6	26.5
Female member aged 45 (life expectancy at age 65)	25.1	25.8	28.6	28.5

The group has considered the current level of expected returns on risk free investments (primarily government bonds), the historical level of the risk premium associated with the other asset classes in which the portfolio is invested and the expectations for future returns of each asset class.

Under the terms of the recovery plan agreed with the pension scheme trustees following the triennial valuation in 2021, the company is required to pay contributions of £17.6 million per annum, increasing each year on 1 January in line with the change in the Retail Prices Index over the year to the previous September, with the first increase applying on 1 January 2022. Should the funding shortfall not be addressed in the timescale specified in this Recovery Plan, the Trustees and the Company have agreed that the additional monthly contributions will continue until the deficit is addressed or the contributions are otherwise reviewed. The contribution rates are being reviewed as part of the current actuarial valuation.

Over the year to 31 December 2024 the group paid contributions of £22.7 million (2023: £6.9 million) to the J C Bamford Lifeplan scheme. The J C Bamford Lifeplan is closed to new entrants and as such the age profile of the active membership will increase over time. As a result, under the projected unit method, the current service cost will increase as members of the scheme approach retirement.

Defined benefit costs recognised in the profit and loss account are charged to administrative expenses.

J.C. Bamford Excavators Limited

Notes to the financial statements for the year ended 31 December 2024 (continued)

23. Financial instruments

Group	Note	2024	2024	2023	2023
		£m	£m	£m	£m
Financial assets measured at fair value through profit or loss:					
- Current asset investments	18		15.4		7.7
Financial assets constituting debt instruments measured at amortised cost:					
- Trade debtors	17	117.5		106.8	
- Amounts owed by group undertakings	17	288.0		284.4	
- Amounts owed by related parties outside the J.C.B. Service group	17	68.7		404.8	
- Other debtors	17	98.4		103.2	
			572.6		899.2
Financial liabilities measured at amortised cost:					
- Bank loans and overdrafts	19	-		0.1	
- Trade creditors	19	515.8		489.5	
- Amounts owed to group undertakings	19	106.2		176.4	
- Amounts owed to related parties	19	0.4		-	
- Other creditors	19/20	76.9		55.8	
- Accruals	19	251.9		274.1	
			951.2		995.9

J.C. Bamford Excavators Limited

Notes to the financial statements for the year ended 31 December 2024 (continued)

23. Financial instruments (continued)

Company	Note	2024 £m	2024 £m	2023 £m	2023 £m
Financial assets measured at fair value through profit or loss:					
- Current asset investments	18		15.4		7.7
Financial assets constituting debt instruments measured at amortised cost:					
- Trade debtors	17	0.9		1.1	
- Amounts owed by J.C.B. Service group undertakings	17	190.3		225.0	
- Amounts owed by subsidiary undertakings	17	122.9		86.2	
- Amounts owed by related parties outside the J.C.B. Service group	17	68.7		375.3	
- Other debtors	17	61.3		73.5	
			444.1		761.1
Financial liabilities measured at amortised cost:					
- Bank loans and overdrafts	19	73.6		-	
- Trade creditors	19	247.1		261.2	
- Amounts owed to J.C.B. Service group undertakings	19	74.6		161.2	
- Amounts owed to subsidiary undertakings	19	22.0		12.4	
- Amounts owed to related parties	19	0.4		-	
- Other creditors	19/20	2.8		2.0	
- Accruals	19	110.3		124.4	
			530.8		561.2

24. Called up share capital

Group and Company

	2024 £m	2023 £m
Allotted, called up and fully paid		
100,000 Ordinary shares of £1 each (2023: 100,000 Ordinary shares of £1 each)	0.1	0.1

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.

25. Reserves

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

Share premium account – includes premiums received on issue of share capital. Transaction costs associated with the issuing of shares are deducted from share premium.

Retained earnings – includes all current year and prior year retained profits and accumulated losses.

J.C. Bamford Excavators Limited

Notes to the financial statements for the year ended 31 December 2024 (continued)

26. Notes to the cash flow statement

Reconciliation of operating profit to operating cash flows

	2024	2023
	£m	£m
Operating profit	466.9	527.3
Depreciation of tangible fixed assets	38.9	37.8
Amortisation of goodwill	3.9	3.9
Loss/(profit) on disposal of fixed assets	0.5	(0.7)
Difference between pension charge and cash contributions	(12.3)	3.4
Increase in fair value of current asset investments	(7.6)	(1.6)
Increase in stock	(67.8)	(36.6)
Decrease in debtors	327.6	272.8
(Decrease)/increase in creditors (including warranty provision)	(22.9)	32.7
Currency translation differences	(0.7)	(0.1)
Net cash inflow from operating activities	726.5	838.9

Analysis of changes in net funds

	As at 1 January 2024 £m	Cash flows £m	Exchange movements £m	As at 31 December 2024 £m
Cash and cash equivalents	415.5	(148.6)	(1.8)	265.1

27. Contingent liabilities

Various companies within the group have a contingent liability in respect of guarantees and indemnities provided by the group's various banks. The group's liability in respect of these at 31 December 2024 was £10.6 million (2023: £12.5 million).

The company had no contingent liabilities in the current or prior year.

J.C. Bamford Excavators Limited

Notes to the financial statements for the year ended 31 December 2024 (continued)

28. Related party transactions

The company has taken advantage of the exemption allowed under FRS 102 paragraph 33.1A not to disclose details of transactions with entities that are wholly owned members of the group.

All related party balances are interest free, unsecured and are repayable on demand.

Group

The group subcontracts some of its research and development projects, and related management services, to JCB Research in which The Lord Bamford DL is the sole shareholder. JCB Research charges the group for these services at cost, so as to make neither profit nor loss after allowing for taxation. The total value of services purchased by the group during the year was £108.0 million (2023: £82.7 million). The group also recharged expenditure to JCB Research of £14.7 million (2023: £24.8 million). The net amount owed by JCB Research to the group at 31 December 2024 was £27.6 million (2023: £230.8 million).

The group transacts business with Bamford Collection Limited and its subsidiaries (previously known as BHoldings Limited), a group in which Lady Bamford OBE and her family are the shareholders. The group purchased branded products and merchandise from and sold parts to the Bamford Collection Limited group of companies. The total value of these transactions was sales and recharges of £25.9 million (2023: £8.9 million). The net amount owed to the group by the Bamford Collection Limited group of companies at 31 December 2024 was £36.8 million (2023: £10.9 million).

The group has incurred rental and other charges of £5.4 million (2023: £0.9 million) from Bamford Property Limited, a company ultimately controlled by Bamford family interests. The group recharged expenditure of £3.7 million (2023: £8.8 million) incurred on behalf of this company during the year. The net amount owed by the group at 31 December 2024 by Bamford Property Limited was £0.3 million (2023: £113.3 million owed to the group).

The group had a receivable £4.5 million in 2023 with B Uttoxeter Property Holdings Limited, a company ultimately controlled by Bamford family interests, but this has been repaid in full in 2024.

The group had receivables of £30.6 million with JCB Access Limited at the end of 2023, a company previously owned by The Lord Bamford DL but acquired on 28th June 2024 by J.C.B. Service. The total value of sales and recharges made to JCB Access Limited to 28th June 2024 was £37.2 million (2023: £99.9 million for the year).

The group has provided administrative services to Thrip Enterprises LLP, a partnership in which Lady Bamford OBE is a partner. The total value of these services was £2.7 million (2023: £3.3 million) and the amount owed by Thrip Enterprises LLP at 31 December 2024 was £4.3 million (2023: £1.6 million).

The group recharged expenditure of £4.3 million (2023: £1.1 million) incurred 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 owed to the group by these companies at 31 December 2024 was £nil (2023: £13.1 million).

A donation of £0.8 million was made to the Centre for Policy Studies (2023: £0.8 million), of which The Lord Bamford DL is a director.

Details of emoluments paid to the directors are disclosed in note 8 of these financial statements.

J.C. Bamford Excavators Limited

Notes to the financial statements for the year ended 31 December 2024 (continued)

28. Related party transactions (continued)

Company

The company subcontracts some of its research and development projects, and related management services, to JCB Research in which The Lord Bamford DL is the sole shareholder. JCB Research charges the group for these services at cost, so as to make neither profit nor loss after allowing for taxation. The total value of services purchased by the company during the year was £108.0 million (2023: £82.7 million). The company also recharged expenditure to JCB Research of £14.7 million (2023: £24.8 million). The net amount owed by JCB Research to the company at 31 December 2024 was £27.3 million (2023: £230.8 million).

The company transacts business with Bamford Collection Limited and its subsidiaries (previously known as BHoldings Limited), a group in which Lady Bamford OBE and her family are the shareholders. The company purchased branded products and merchandise from and recharged costs to the Bamford Collection Limited group of companies. The total value of these transactions was sales and recharges of £25.9 million (2023: £8.9 million). The net amount owed to the company by the Bamford Collection Limited group of companies at 31 December 2024 was £36.8 million (2023: £10.9 million).

The company has incurred rental and other charges of £4.5 million (2023: £nil) from Bamford Property Limited, a company ultimately controlled by Bamford family interests. The company recharged expenditure of £3.7 million (2023: £8.8 million) incurred on behalf of this company during the year. The net amount owed by the company at 31 December 2024 to Bamford Property Limited was £0.3 million (2023: £113.6 million owed to the company).

The company had a receivable £4.5 million in 2023 with B Uttoxeter Property Holdings Limited, a company ultimately controlled by Bamford family interests, but this has been repaid in full in 2024.

The company had liabilities of £0.8 million with JCB Access Limited at the end of 2023, a company previously owned by The Lord Bamford DL but acquired on 28th June 2024 by J.C.B. Service. There was no expenditure charged to JCB Access Limited to 28th June 2024 (2023: £2.6 million for the year).

The company provided administrative services to Thrip Enterprises LLP, a partnership in which Lady Bamford OBE is a partner. The total value of these services was £2.7 million (2023: £3.3 million) and the amount owed by Thrip Enterprises LLP at 31 December 2024 was £4.3 million (2023: £1.6 million).

The company recharged expenditure of £4.3 million (2023: £1.1 million) incurred 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 owed to the company by these companies at 31 December 2024 was £nil (2023: £13.1 million).

A donation of £0.8 million was made to the Centre for Policy Studies (2023: £0.8 million), of which The Lord Bamford DL is a director.

Details of emoluments paid to the directors are disclosed in note 8 of these financial statements.

29. Ultimate controlling party

The company is a wholly-owned subsidiary of J.C.B. Service, an unlimited liability company incorporated in England and Wales. The results for the company and its subsidiaries are included in the consolidated financial statements of J.C.B. Service.

The largest company to consolidate the financial statements is JCB Group Holdings Sàrl, a company incorporated in Switzerland, registered address: Avenue de Rhodanie 58, CH-1007 Lausanne, Switzerland. JCB Group Holdings Sàrl is ultimately controlled by Bamford family interests.

J.C. Bamford Excavators Limited

Notes to the financial statements for the year ended 31 December 2024 (continued)

30. Registered addresses

The registered addresses of the subsidiary and associated undertakings are detailed below:

Company	Registered address
A Bamford Trading Company Limited	Lakeside Works, Rocester, Uttoxeter, Staffordshire, ST14 5JP
Doxford Engines Limited	Lakeside Works, Rocester, Uttoxeter, Staffordshire, ST14 5JP
J.C. Bamford Investments Private Limited	B1-/I-1, 2 nd floor, Mohan Co-operative Industrial Estate, Mathura Rd, New Delhi, India
JCB Limited	Lakeside Works, Rocester, Uttoxeter, Staffordshire, ST14 5JP
JCB Atlanta Real Estate LLC	2000 Bamford Blvd. Pooler, GA 31322, USA
JCB Backhoe Loaders Limited	Lakeside Works, Rocester, Uttoxeter, Staffordshire, ST14 5JP
JCB Credit Limited	Lakeside Works, Rocester, Uttoxeter, Staffordshire, ST14 5JP
JCB Dallas Real Estate LLC	2000 Bamford Blvd. Pooler, GA 31322, USA
JCB Excavators Limited	145 King Street West, Suite 2000, Toronto, Canada, M5H 2B6
JCB Finance Company	2711 Centerville Road, Suite 400, Wilmington, DE 19808, USA
JCB Finance Limited	The Mill, High Street, Rocester, Uttoxeter, ST14 5JW
JCB Financiers Private Limited	B1-/I-1, 2 nd floor, Mohan Co-operative Industrial Estate, Mathura Rd, New Delhi, India
JCB Garage Limited	Lakeside Works, Rocester, Uttoxeter, Staffordshire, ST14 5JP
JCB Golf and Country Club Limited	Lakeside Works, Rocester, Uttoxeter, Staffordshire, ST14 5JP
JCB Heavy Products Limited	Lakeside Works, Rocester, Uttoxeter, Staffordshire, ST14 5JP
JCB Houston Real Estate LLC	2000 Bamford Blvd. Pooler, GA 31322, USA
JCB Hydrapower	Lakeside Works, Rocester, Uttoxeter, Staffordshire, ST14 5JP
JCB Hydropower	Lakeside Works, Rocester, Uttoxeter, Staffordshire, ST14 5JP
JCB Inc	2000 Bamford Blvd, Pooler, Ga 31322, USA
JCB India Limited	B1-/I-1, 2 nd floor, Mohan Co-operative Industrial Estate, Mathura Rd, New Delhi, India
JCB Industries Private Limited	B1-/I-1, 2 nd floor, Mohan Co-operative Industrial Estate, Mathura Rd, New Delhi, India
JCB Insurance Services Limited	Lakeside Works, Rocester, Uttoxeter, Staffordshire, ST14 5JP
JCB Landpower Ltd.	Lakeside Works, Rocester, Uttoxeter, Staffordshire, ST14 5JP
JCB Literature Foundation	B1-/I-1, 2 nd floor, Mohan Co-operative Industrial Estate, Mathura Rd, New Delhi, India
JCB Management Services	Lakeside Works, Rocester, Uttoxeter, Staffordshire, ST14 5JP
JCB Materials Handling Limited	Lakeside Works, Rocester, Uttoxeter, Staffordshire, ST14 5JP
JCB Manufacturing Inc	2000 Bamford Blvd, Pooler, Ga 31322, USA
JCB Miami LLC	2000 Bamford Blvd. Pooler, GA 31322, USA
JCB Miami Real Estate LLC	2000 Bamford Blvd. Pooler, GA 31322, USA
JCB Nashville LLC	2000 Bamford Blvd. Pooler, GA 31322, USA
JCB Nashville Real Estate LLC	2000 Bamford Blvd. Pooler, GA 31322, USA
JCB North America Limited	Lakeside Works, Rocester, Uttoxeter, Staffordshire, ST14 5JP
JCB Northern California LLC	2000 Bamford Blvd. Pooler, GA 31322, USA
JCB Northern California Real Estate LLC	2000 Bamford Blvd. Pooler, GA 31322, USA
JCB Power Systems Limited	Lakeside Works, Rocester, Uttoxeter, Staffordshire, ST14 5JP
JCB Southern California LLC	2000 Bamford Blvd. Pooler, GA 31322, USA
JCB Southern California Real Estate LLC	2000 Bamford Blvd. Pooler, GA 31322, USA
JCB Texas LLC	2000 Bamford Blvd. Pooler, GA 31322, USA
JCB US Holdings Inc	2711 Centerville Road, Suite 400, Wilmington, DE 19808, USA
JCB US Holdings Limited	Lakeside Works, Rocester, Uttoxeter, Staffordshire, ST14 5JP
L Gardner & Sons Limited	Lakeside Works, Rocester, Uttoxeter, Staffordshire, ST14 5JP
Lady Bamford Foundation	B1-/I-1, 2 nd floor, Mohan Co-operative Industrial Estate, Mathura Rd, New Delhi, India
North Georgia Construction LLC	2679 Barrett Lakes Blvd, Kennesaw Ga 30144, USA