COMPANIES
H.O.96

Company No. 2340843 (England and Wales)

Axis Elevators Limited

Directors' Report and Financial Statements

for the year ended 30 June 1996



Axis Elevators Limited

Company Information

Directors	R J Warne Esq P M Mersh Esq
Secretary	Mrs J T Warne
Company Number	2340843 (England and Wales)
Registered Office	Oak House Lower Road Cookham Berkshire SL6 9HJ
Auditors	Harris Lipman 2 Mountview Court 310 Friern Barnet Lane London N20 0YZ
Business Address	Oak House Lower Road Cookham Berkshire SL6 9HJ
Bankers	National Westminster Bank plc P.O. Box 35 10 Southwark Street London SE1 1TT

Axis Elevators Limited

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Axis Elevators Limited

Directors' Report for the year ended 30 June 1996

The directors present their report and the financial statements for the year ended 30 June 1996.

Principal Activities

The principal activity of the company is that of lift engineers.

Directors and their Interests

The directors who served during the year and their interests in the company at the beginning and end of the year were as stated below.

	Class of share	Number of shares 1996	1995
R J Warne Esq	Ordinary shares	20	20
P M Mersh Esq	Ordinary shares	1	1

Auditors

The company has by elective resolution dispensed with the obligation to appoint auditors annually in accordance with Section 386(1) of the Companies Act 1985. Therefore, the auditors, Harris Lipman, will be deemed to be reappointed for each succeeding financial year.

Directors' Responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In the preparation of the directors' report advantage has been taken of the special exemptions applicable to small companies conferred by Part II of Schedule 8 to the Companies Act 1985.

This report was approved by the Board on 19 March 1997

.....
R J Warne Esq
Director

Axis Elevators Limited

Auditors' Report
to the shareholders of Axis Elevators Limited

We have audited the financial statements on pages 3 to 11 which have been prepared under the historical cost convention and the accounting policies set out on pages 6 and 7.

Respective responsibilities of directors and auditors

As described on page 1 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

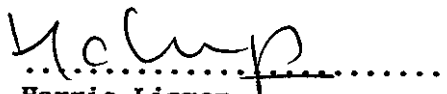
Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 June 1996 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.



Harris Lipman
Registered Auditors
2 Mountview Court
310 Friern Barnet Lane
London N20 0YZ

Date: 21st March 1997

Axis Elevators Limited

Profit and Loss Account
for the year ended 30 June 1996

	Notes	1996 £	1995 as restated £
Turnover		1,800,652	1,235,849
Cost of sales		(1,022,102)	(656,570)
Gross profit		778,550	579,279
Administrative expenses		(633,107)	(506,638)
Operating profit	2	145,443	72,641
Other interest receivable and similar income	3	24,734	9,837
Interest payable and similar charges		(4,230)	(2,799)
Profit on ordinary activities before taxation		165,947	79,679
Tax on profit on ordinary activities	4	(41,364)	(20,455)
Retained profit for the year	11	£ 124,583	£ 59,224

There are no acquisitions or discontinued operations in the current or preceding year.

Axis Elevators Limited

Statement of Total Recognised Gains and Losses for the year ended 30 June 1996

		1996	1995 as restated
		£	£
Profit for the financial year		124,583	59,224
Total recognised gains and losses relating to the year		124,583	59,224
Prior year adjustment	11	(59,572)	
Total gains and losses recognised since last financial statements		£ 65,011	

Axis Elevators Limited

Balance Sheet
as at 30 June 1996

	Notes	1996 £	1996 £	1995 as restated £	1995 as restated £
Fixed Assets					
Tangible assets	5		59,943		52,366
Current Assets					
Stocks		256,950		139,020	
Debtors	6	311,896		366,879	
Cash at bank and in hand		560,655		310,354	
		1,129,501		816,253	
Creditors: amounts falling due within one year	7	(773,189)		(571,282)	
Net Current Assets			356,312		244,971
Total Assets less Current Liabilities			416,255		297,337
Creditors: amounts falling due after more than one year	8		(13,288)		(18,953)
			£ 402,967		£ 278,384
Capital and Reserves					
Called up share capital	10		21		21
Profit and loss account	11		402,946		278,363
Shareholders' Funds	12		£ 402,967		£ 278,384

In preparing these financial statements:
(a) Advantage has been taken of the special exemptions applicable to small companies conferred by Part I of Schedule 8 to the Companies Act 1985, and
(b) In the directors' opinion the company is entitled to these exemptions as a small company.

The financial statements were approved by the Board on 19 March 1997

.....
R J Warne Esq
Director

.....
P M Mersh Esq
Director

Notes to the financial statements for the year ended 30 June 1996

1. Accounting Policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and include the results of the company's operations as indicated in the directors' report.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cashflow statement on the grounds that it is a small company.

1.2 Turnover

Turnover represents amounts receivable for goods and services provided in the UK net of VAT and trade discounts.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Plant and machinery	-	25% Reducing balance
Fixtures, fittings and equipment	-	25% Reducing balance
Motor vehicles	-	25% Reducing balance

1.4 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.5 Stock and work in progress

Stock and work in progress are valued at the lower of cost and net realisable value.

1.6 Long term contracts

Amounts recoverable on long term contracts, which are included in debtors are stated at the net sales value of the work done after provision for contingencies and anticipated future losses on contracts, less amounts received as progress payments on account. Excess progress payments are included in creditors as payments on account.

1.7 **Pensions**

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they fall due for payment.

1.8 **Deferred taxation**

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the directors consider that a liability to taxation is unlikely to crystallise.

2. **Operating Profit**

Operating profit is stated after charging:	1996 £	1995 £
Depreciation of tangible assets	19,981	17,456
Hire of plant and machinery	3,000	2,100
Auditors' remuneration	2,000	1,800
Directors' emoluments	156,626	109,720

3. **Other Interest Receivable and Similar Income**

	1996 £	1995 £
Bank interest received	24,564	9,837
Other interest received	170	-
	£ 24,734	£ 9,837

4. **Taxation**

	1996 £	1995 as restated £
U.K. Current year taxation		
U.K. Corporation tax at 25% (1995 - 25%)	41,364	20,455

5. Tangible Assets

	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 July 1995	12,638	19,874	71,344	103,856
Additions	826	2,393	26,453	29,672
Disposals	-	-	(7,832)	(7,832)
At 30 June 1996	13,464	22,267	89,965	125,696
Depreciation				
At 1 July 1995	8,492	12,198	30,799	51,489
On disposals	-	-	(5,717)	(5,717)
Charge for year	1,243	2,517	16,221	19,981
At 30 June 1996	9,735	14,715	41,303	65,753
Net book value				
At 30 June 1996	£ 3,729	£ 7,552	£ 48,662	£ 59,943
At 30 June 1995	£ 4,145	£ 7,675	£ 40,546	£ 52,366

Included above are assets held under finance leases or hire purchase contracts as follows:

	Net book value	Depreciation charge
	£	£
Motor vehicles	45,549	15,183

6. Debtors

	1996	1995
	£	£
Trade debtors	280,554	335,069
Taxation	19,857	11,636
Prepayments and accrued income	11,485	20,174
	£ 311,896	£ 366,879

7. Creditors: amounts falling due within one year	1996 £	1995 as restated £
Net obligations under finance lease and hire purchase contracts	18,444	12,969
Trade creditors	153,245	193,773
Payments received on account	391,266	198,573
Corporation tax	41,364	20,455
Other taxes and social security costs	62,148	47,840
Directors current accounts	25,166	19,016
Accruals and deferred income	81,556	78,656
	£ 773,189	£ 571,282

8. Creditors: amounts falling due after more than one year	1996 £	1995 £
Net obligations under finance lease and hire purchase contracts		
Repayable within one year	21,278	15,809
Repayable between one and five years	13,910	20,523
	35,188	36,332
Finance charges and interest allocated to future accounting periods	(3,456)	(4,410)
	31,732	31,922
Included in current liabilities	(18,444)	(12,969)
	£ 13,288	£ 18,953

9. Pension Costs

The pension cost charged in the financial statements represents the contributions payable by the company during the year and amounted to £50,876 (1995 : £24,720). There were no outstanding liabilities or prepayments at the year end.

10. **Share Capital**

	1996 £	1995 £
Authorised		
100 Ordinary shares of £1 each	100	100
Allotted, called up and fully paid		
21 Ordinary shares of £1 each	21	21

11. **Profit and Loss Account**

	1996 £	1995 as restated £
Retained profits at 1 July 1995	337,935	219,139
Prior period adjustment	(59,572)	-
Retained profits at 1 July 1995 as restated	278,363	219,139
Retained profit for the year	124,583	59,224
Retained profits at 30 June 1996	£ 402,946	£ 278,363

In prior years the company had valued work in progress at its net realisable value. Having considered the nature of work in progress, the directors are of the opinion that it is in fact short term and that to continue with the present policy would not be in accordance with Statement of Standard Accounting Practice 9 (Revised) - Stocks and long term contracts (SSAP 9). SSAP 9 requires that short term work in progress should be valued at the lower of cost and net realisable value.

The prior period adjustment represents the effect of the change in accounting policy.

As a result of the change in accounting policy the profit before tax for the year has decreased by £77,076 (1995 - £ 79,429).

12. Reconciliation of Movements in Shareholders' Funds

	1996	1995 as restated
	£	£
Profit for the financial year	124,583	59,224
Opening shareholders' funds (see below)	278,384	219,160
Closing shareholders' funds	£ 402,967	£ 278,384

Opening shareholders' funds were originally £337,956 before deducting the prior period adjustment of £59,572.

13. Contingent Liabilities

The company has contingent liabilities amounting to £11,545 (1995 - £8,000) in respect of guarantees in favour of third parties.

14. Transactions with Directors

During the year, the company paid rent, fax charges and consultancy fees of £26,601 (1995 - £15,216) to a business in which a director has an interest.