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Company Registration No 02340843 (England and Wales)

AXIS ELEVATORS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2011

AXIS ELEVATORS LIMITED

COMPANY INFORMATION

Directors	I W Simpson Esq P G Burton Esq N Proud Esq P Dicker Esq I G Rutherford Esq
Company number	02340843
Registered office	Unit G1 65 Glasshill Street London SE1 0QR
Auditors	Harris Lipman LLP 2 Mountview Court 310 Friern Barnet Lane London N20 0YZ
Business address	Unit G1 65 Glasshill Street London SE1 0QR
Bankers	HSBC Bank Plc 1 The Town Enfield Middlesex EN2 6LD

AXIS ELEVATORS LIMITED

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AXIS ELEVATORS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2011

The directors present their report and financial statements for the year ended 31 December 2011

Principal activities and review of the business
The principal activities of the company during the year were those of lift installation, repair and servicing engineers

The company specialises in the modernisation, refurbishment, repairs and maintenance of lifts In these operations, it seeks to provide a comprehensive and cost effective service to a wide range of corporate, institutional and government clients

The results for the year and the financial position at the year end were considered satisfactory by the directors who expect continued growth in the foreseeable future

In view of the essential nature of the company's services, the robustness of the company's systems and financial affairs, and the independence of the company's ownership, the directors believe that the company's exposure to significant comercial risk is minimal

Results and dividends
The results for the year are set out on page 5

An interim ordinary dividend was paid amounting to £200,000 The directors do not recommend payment of a final dividend

Future developments
The company continues to invest in improving its infrastructure and has adopted stringent standards governing the quality and safety of it operations In this way, it remains confident of continuing to achieve further profitable expansion

Directors
The following directors have held office since 1 January 2011

I W Simpson Esq
P G Burton Esq
N Proud Esq
P Dicker Esq
I G Rutherford Esq

Auditors
The auditors, Harris Lipman LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006

AXIS ELEVATORS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2011

Statement of directors' responsibilities
The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006 They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

Statement of disclosure to auditors
So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information

On behalf of the board

I W Simpson Esq
Director
Date 15 June 2012

AXIS ELEVATORS LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF AXIS ELEVATORS LIMITED

We have audited the financial statements of Axis Elevators Limited for the year ended 31 December 2011 set out on pages 5 to 17 The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed

Respective responsibilities of directors and auditors
As explained more fully in the Directors' Responsibilities Statement set out on pages 1 - 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors

Scope of the audit of the financial statements
An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report

Opinion on financial statements
In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2011 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

AXIS ELEVATORS LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF AXIS ELEVATORS LIMITED

Matters on which we are required to report by exception

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

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

Mr Ashokkumar Shah (Senior Statutory Auditor)
for and on behalf of Harris Lipman LLP
Chartered Accountants
Statutory Auditor
2 Mountview Court
310 Friern Barnet Lane
London N20 0YZ

Date 15 June 2012

AXIS ELEVATORS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2011

	Notes	2011 £	2010 £
Turnover	2	9,678,750	7,934,037
Cost of sales		(7,028,413)	(5,621,242)
Gross profit		2,650,337	2,312,795
Administrative expenses		(2,064,480)	(1,935,215)
Operating profit	3	585,857	377,580
Other interest receivable and similar income	4	548	107
Interest payable and similar charges	5	(14,675)	(3,069)
Profit on ordinary activities before taxation		571,730	374,618
Tax on profit on ordinary activities	6	(173,287)	(93,643)
Profit for the year	16	398,443	280,975

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

AXIS ELEVATORS LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2011

	Notes	2011 £	2011 £	2010 £	2010 £
Fixed assets					
Tangible assets	8		351,851		304,330
Current assets					
Stocks	9	181,415		213,822	
Debtors amounts falling due within one year	10	2,651,514		1,588,101	
Debtors amounts falling due after more than one year	10	1,118,850		1,023,086	
Cash at bank and in hand		273,546		722,463	
		4,225,325		3,547,472	
Creditors amounts falling due within one year	11	(2,420,608)		(1,906,740)	
Net current assets			1,804,717		1,640,732
Total assets less current liabilities			2,156,568		1,945,062
Creditors amounts falling due after more than one year	12		(79,511)		(80,469)
Provisions for liabilities	13		(39,711)		(25,690)
			2,037,346		1,838,903
Capital and reserves					
Called up share capital	15		21		21
Profit and loss account	16		2,037,325		1,838,882
Shareholders' funds	17		2,037,346		1,838,903

Approved by the Board and authorised for issue on 15 June 2012

I W Simpson Esq
Director

I G Rutherford Esq
Director

Company Registration No 02340843

AXIS ELEVATORS LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2011

		2011		2010
	£	£	£	£
Net cash inflow from operating activities		193,608		644,903
Returns on investments and servicing of finance				
Interest received	548		107	
Interest paid	(14,675)		(3,069)	
Net cash outflow for returns on investments and servicing of finance		(14,127)		(2,962)
Taxation		(283,306)		36,415
Capital expenditure				
Payments to acquire tangible assets	(189,634)		(56,897)	
Receipts from sales of tangible assets	20,188		8,750	
Net cash outflow for capital expenditure		(169,446)		(48,147)
Equity dividends paid		(200,000)		(60,000)
Net cash (outflow)/inflow before management of liquid resources and financing		(473,271)		570,209
Financing				
Capital element of hire purchase contracts	24,354		(35,080)	
Net cash inflow/(outflow) from financing		24,354		(35,080)
(Decrease)/increase in cash in the year		(448,917)		535,129

AXIS ELEVATORS LIMITED

NOTES TO THE CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2011

1	**Reconciliation of operating profit to net cash inflow from operating activities**	**2011**	**2010**
		£	**£**
	Operating profit	585,857	377,580
	Depreciation of tangible assets	119,838	97,821
	Loss on disposal of tangible assets	2,087	8,138
	Decrease/(increase) in stocks	32,407	(177,055)
	(Increase)/decrease in debtors	(1,159,177)	390,228
	Increase/(decrease) in creditors within one year	612,596	(51,809)
	Net cash inflow from operating activities	193,608	644,903

2	**Analysis of net funds**	**1 January 2011**	**Cash flow**	**Other non-cash changes**	**31 December 2011**
		£	**£**	**£**	**£**
	Net cash				
	Cash at bank and in hand	722,463	(448,917)	-	273,546
	Bank deposits	-	-	-	-
	Debt				
	Finance leases	(134,886)	(24,354)	-	(159,240)
	Net funds	587,577	(473,271)	-	114,306

3	**Reconciliation of net cash flow to movement in net funds**	**2011**	**2010**
		£	**£**
	(Decrease)/increase in cash in the year	(448,917)	535,129
	Cash inflow from increase in debt and lease financing	(24,354)	(113,070)
	Movement in net funds in the year	(473,271)	422,059
	Opening net funds	587,577	165,518
	Closing net funds	114,306	587,577

1 Accounting policies

1 1 Accounting convention
The financial statements are prepared under the historical cost convention

1 2 Turnover
Turnover represents amounts receivable for goods and services net of VAT and trade discounts Income is recognised in the year the work is carried out For jobs spanning the year end, interim invoices are raised in the period in which the work has been done or, if appropriate, upon the valuation of an independent surveyor at each stage of a project

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 & equipment	25% Reducing balance/ 25% Straight line
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 is valued at the lower of cost and net realisable value

Work in progress is valued on the basis of direct costs incurred and, where the final outcome of a contract is known, attributable profit based on the stage of completion at the balance sheet date Where a contract is expected to make a loss that loss is recognised in full in the period

1 6 Pensions
The company operates a defined contribution scheme Contributions are charged to the profit and loss account as they fall due

1 7 Deferred taxation
Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes The deferred tax balance has not been discounted

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom

AXIS ELEVATORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2011

3	**Operating profit**	**2011**	**2010**
		£	**£**
	Operating profit is stated after charging		
	Depreciation of tangible assets	119,838	97,821
	Loss on disposal of tangible assets	2,087	8,138
	Auditors' remuneration (including expenses and benefits in kind)	10,102	8,898

4	**Investment income**	**2011**	**2010**
		£	**£**
	Bank interest	543	107
	Other interest	5	-
		548	107

5	**Interest payable**	**2011**	**2010**
		£	**£**
	Hire purchase interest	10,284	3,069
	On overdue tax	4,391	-
		14,675	3,069

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2011

6 Taxation	2011	2010
	£	£
Domestic current year tax		
U K corporation tax	152,387	92,778
Adjustment for prior years	6,879	-
Total current tax	159,266	92,778
Deferred tax		
Deferred tax charge/credit current year	14,021	865
	173,287	93,643
Factors affecting the tax charge for the year		
Profit on ordinary activities before taxation	571,730	374,618
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 26 00% (2010 - 28 00%)	148,650	104,893
Effects of		
Non deductible expenses	10,747	4,493
Depreciation add back	31,158	29,669
Capital allowances	(41,005)	(39,381)
Adjustments to previous periods	6,879	-
Change in tax rates	2,837	-
Marginal relief	-	(6,896)
	10,616	(12,115)
Current tax charge for the year	159,266	92,778

7 Dividends	2011	2010
	£	£
Ordinary interim paid	200,000	60,000

8 Tangible fixed assets

	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 January 2011	19,499	135,456	523,979	678,934
Additions	-	14,247	175,387	189,634
Disposals	-	-	(47,250)	(47,250)
At 31 December 2011	19,499	149,703	652,116	821,318
Depreciation				
At 1 January 2011	17,488	107,962	249,154	374,604
On disposals	-	-	(24,975)	(24,975)
Charge for the year	503	12,350	106,985	119,838
At 31 December 2011	17,991	120,312	331,164	469,467
Net book value				
At 31 December 2011	1,508	29,391	320,952	351,851
At 31 December 2010	2,010	27,494	274,826	304,330

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

	Motor vehicles
	£
Net book values	
At 31 December 2011	196,831
At 31 December 2010	122,751
Depreciation charge for the year	
At 31 December 2011	65,610
At 31 December 2010	40,917

9 Stocks and work in progress

	2011	2010
	£	£
Work in progress	159,341	195,586
Finished goods and goods for resale	22,074	18,236
	181,415	213,822

10 Debtors

	2011	2010
	£	£
Trade debtors	2,466,121	1,380,780
Amounts owed by parent and fellow subsidiary undertakings	1,118,850	1,102,914
Other debtors	9,703	9,662
Prepayments and accrued income	175,690	117,831
	3,770,364	2,611,187

Amounts falling due after more than one year and included in the debtors above are

	2011	2010
	£	£
Amounts owed by group undertakings	1,118,850	1,023,086

AXIS ELEVATORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2011

11 **Creditors amounts falling due within one year**	**2011**	**2010**
	£	**£**
Net obligations under hire purchase contracts	79,729	54,417
Trade creditors	1,215,878	871,299
Amounts owed to group undertakings	6,455	-
Corporation tax	158,827	282,867
Other taxes and social security costs	391,287	223,558
Directors' current accounts	-	3,700
Other creditors	5,500	1,900
Accruals and deferred income	562,932	468,999
	2,420,608	1,906,740

Hire purchase liabilities are secured on the assets to which they relate

12 **Creditors amounts falling due after more than one year**	**2011**	**2010**
	£	**£**
Net obligations under hire purchase contracts	79,511	80,469
Net obligations under hire purchase contracts		
Repayable within one year	91,040	54,417
Repayable between one and five years	91,457	98,042
	182,497	152,459
Finance charges and interest allocated to future accounting periods	(23,257)	(17,573)
	159,240	134,886
Included in liabilities falling due within one year	(79,729)	(54,417)
	79,511	80,469

13 Provisions for liabilities

	Deferred tax liability £
Balance at 1 January 2011	25,690
Profit and loss account	14,021
Balance at 31 December 2011	39,711

The deferred tax liability is made up as follows.

	2011 £	2010 £
Accelerated capital allowances	39,711	25,690

14 Pension and other post-retirement benefit commitments

Defined contribution

The company operates a defined contribution pension scheme The assets of the scheme are held separately from those of the company in an independently administered fund The pension cost charge represents contributions payable by the company to the fund Included in this amount are accruals for future liabilities of £13,004 (2010 £6,832)

	2011 £	2010 £
Contributions payable by the company for the year	91,088	82,734

15 Share capital

	2011 £	2010 £
Allotted, called up and fully paid		
21 Ordinary shares of £1 each	21	21

AXIS ELEVATORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2011

16 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 January 2011	1,838,882
Profit for the year	398,443
Dividends paid	(200,000)
Balance at 31 December 2011	2,037,325

17 Reconciliation of movements in shareholders' funds	**2011 £**	**2010 £**
Profit for the financial year	398,443	280,975
Dividends	(200,000)	(60,000)
Net addition to shareholders' funds	198,443	220,975
Opening shareholders' funds	1,838,903	1,617,928
Closing shareholders' funds	2,037,346	1,838,903

18 Directors' remuneration	**2011 £**	**2010 £**
Remuneration for qualifying services	313,771	309,591
Company pension contributions to defined contribution schemes	26,387	25,204
	340,158	334,795

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 4 (2010 - 3)

Remuneration disclosed above include the following amounts paid to the highest paid director

	2011 £	2010 £
Remuneration for qualifying services	108,457	104,750
Company pension contributions to defined contribution schemes	9,894	9,700

19 Employees

Number of employees

The average monthly number of employees (including directors) during the year was

	2011 Number	2010 Number
Operational	51	41
Administrative	17	16
	68	57

Employment costs	2011 £	2010 £
Wages and salaries	2,515,525	2,212,592
Social security costs	280,592	246,666
Other pension costs	91,088	82,734
	2,887,205	2,541,992

20 Control

The immediate and ultimate parent company is Axis Holdco Limited, a company registered in England & Wales

21 Post balance sheet events

On 1 January 2012 the business, assets and liabilities of Blickglen Lifts Limited, a fellow subsidiary, were acquired by Axis Elevators Limited and transferred to the company on that date

22 Related party relationships and transactions

The company has taken advantage of the exemption available in FRS 8 Related Party Disclosures whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group

During the year consultancy fees of £34,327 (2010 £33,000) were charged by I Simpson Esq, a director At the year end £3,366 (2010 £3,300) was owed to I Simpson Esq by the company During the year £6,339 (2010 £216,500) of consultancy fees were charged by Lilygate Consultancy Limited, and £10,061 (2010 £nil) of consultancy fees were charged by Meridian Equity Limited, companies in which Mr Max Ashton, a director of the holding company, has a controlling interest