

Registered Number: 01578538

Langham Lifts Limited
Annual report and financial statements
for the year ended 31 December 2020



Langham Lifts Limited

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Langham Lifts Limited

Directors and advisers

Directors

J Mutuberria Echeverria

J Ribeiro

UM Adrada Sannino

Company Secretary

UM Adrada Sannino

Registered office

9 Gateway Mews

Ringway

Bounds Green

London

N11 2UT

Banker

National Westminster Bank Plc.

Registered in England and Wales No 929027.

250 Bishopsgate,

London EC2M 4AA

Registration number

01578538

Independent Auditors

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

Central Square,

29 Wellington Street,

Leeds, LS1 4DL

Langham Lifts Limited

Directors' report

The directors present their report and the audited financial statements of the Company for the year ended 31 December 2020.

Principal activities

The Company's principle activity for the year was the maintenance of lifts and platforms and every type of related accessibility solution.

Business review and future developments

The Company was acquired by Orona Holdings S.A. in January 2015, resulting in the main challenges for the year being the implementation of Orona group practices, procedures and controls whilst continuing the growth in the core business of service.

The main achievements in 2020 have been:

- **Efficiency:** All departments of Langham Lifts Limited have been focused to Service business.
- **Productivity:** KPI's used to measure the direct work force productivity is helping the Company to increase productivity within the current levels of its resources.

A year later and after several lockdowns, turnover was 10% lower than the original 2020 forecast (pre Covid-19) due to lower volume in repairs. Discretionary spends have been reduced during the year, however the Company has benefited by receiving £49k from the Coronavirus Retention Scheme.

For 2021 the aim is to continue to grow the core business of Service and Repairs, focusing on the control of the expenditure to improve the gross margin per job and to keep on gaining efficiencies and consistency in the internal and external processes.

Dividends

Dividends of £95,966 (2019: £156,189) were declared and paid during the year.

Directors' Indemnities

The Company has granted an indemnity to its Directors against liability with respect to proceedings brought by third parties, which remains in force as at the date providing this Directors' report. Other than the indemnity provisions described above, none of the Directors had a material interest in any contract of significance to which the Company was a party during the year ended 31 December 2020 and up to the date of the publication of this report.

Directors

The directors of the Company who were in office during the year and up to the date of signing the financial statements were as follows:

J Mutuberría Echeverría

J Ribeiro

G Amezttoy (Resigned on 4th of March 2021)

UM Adrada Sannino (Appointed on 18th of February 2021)

Langham Lifts Limited

Directors' report (continued)

Statement of directors' responsibilities

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 financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing the financial statements, the directors are required to:

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

The directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Small Company Provisions

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Independent auditors

The independent auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office, and a resolution concerning their reappointment will be proposed at the Annual General Meeting.

On behalf of the Board



J Ribeiro

Director

15th June 2021

Langham Lifts Limited

Independent auditors' report to the members of Langham Lifts Limited

Report on the audit of the financial statements

Opinion

In our opinion, Langham Lifts Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its profit for the year then ended;
- have been properly prepared 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); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the annual report and financial statements (the "Annual Report"), which comprise: the balance sheet as at 31 December 2020; the statement of comprehensive income and the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

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

Independence

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

Conclusions relating to going concern

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

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

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

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

Independent auditors' report to the members of Langham Lifts 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 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.

Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' report for the year ended 31 December 2020 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the 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, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Langham Lifts Limited

Independent auditors' report to the members of Langham Lifts Limited (Continued)

Auditors' responsibilities for the audit of the financial statements

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

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

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to employment law, tax legislation and lifts regulation, 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. 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 journals to increase the company's revenue or profit before tax, or through management bias in manipulation of accounting estimates and forecasts. Audit procedures performed by the engagement team included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Challenging assumptions and judgements made by management in their significant accounting estimates and forecasts, in particular in relation to the consideration of the ongoing impact of COVID-19 on going concern;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations; and
- Incorporating an element of unpredictability in the selection of the nature and extent of audit procedures.

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 directors 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.

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Independent auditors' report to the members of Langham Lifts Limited (Continued)

Other required reporting

Companies Act 2006 exception reporting

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

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

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Lee Wilkinson (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

Leeds

15th June 2021

Langham Lifts Limited

Statement of comprehensive income for the year ended 31 December 2020

	Note	Year ended 31 December 2020 £	Year ended 31 December 2019 £
Turnover	4	1,404,553	1,719,231
Cost of sales		(1,013,408)	(1,227,774)
Gross profit		391,145	491,457
Administrative expenses		(332,423)	(298,587)
Operating profit	7	58,722	192,870
Other income	8	49,272	-
Interest payable and similar expenses		(100)	-
Profit before taxation		107,894	192,870
Tax on profit	9	(20,588)	(36,903)
Profit for the financial year		87,306	155,966

All items dealt with in arriving at profit above relate to continuing operations.

Langham Lifts Limited

Balance sheet as at 31 December 2020

Company registration number: 01578538

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	10	3,519	4,394
		3,519	4,394
Current assets			
Inventories	11	51,986	51,757
Debtors: amounts falling due within one year	12	263,840	131,692
Cash at bank and in hand		73,300	237,813
		389,126	421,262
Creditors: amounts falling due within one year	13	(340,057)	(364,408)
Net current assets		49,069	56,854
Total assets less current liabilities		52,588	61,248
Net assets		52,588	61,248
Capital and reserves			
Called up share capital	15	120	120
Retained earnings		52,468	61,128
Total shareholders' funds		52,588	61,248

The notes on pages 11 to 24 are an integral part of these financial statements.

The financial statements on pages 8 to 24 were approved and authorised for issue by the board of directors on 15th June 2021 and were signed on its behalf by:


J Ribeiro
Director

Langham Lifts Limited

Statement of changes in equity for the year ended 31 December 2020

	Note	Called-up share capital £	Retained earnings £	Total £
Balance as at 1 Jan 2019		120	61,351	61,471
Profit for the year		-	155,966	155,966
Other comprehensive income for the year		-	-	-
Total comprehensive income for the year		-	155,966	155,966
Dividends paid	16	-	(156,189)	(156,189)
Balance as at 31 Dec 2019 and 1 January 2020		120	61,128	61,248
Profit for the year		-	87,306	87,306
Other comprehensive income for the year		-	-	-
Total comprehensive income for the year		-	87,306	87,306
Dividends paid	16	-	(95,966)	(95,966)
Balance as at 31 Dec 2020		120	52,468	52,588

Langham Lifts Limited

Notes to the financial statements for the year ended 31 December 2020

1. General information

Langham Lifts Limited is a private Company limited by shares and is incorporated in the United Kingdom. The address of its registered office is 9 Gateway Mews, Ringway, Bounds Green, London, N11 2UT.

The Company's principle activity for the year was the maintenance of lifts and platforms and every type of related accessibility solution.

2. Statement of compliance

The financial statements of Langham Lifts Limited have been prepared in compliance with the 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.

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.

a) Basis of preparation

The financial statements have been prepared in a going concern basis in accordance with applicable accounting standards, and under the historical cost convention.

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 n) below.

b) Going concern

Having undertaking a going concern review, the Directors have considered the Company's principal risk areas, including the possible impact of the COVID-19 pandemic.

A year later and after several lockdowns, turnover was 10% lower than the original 2020 forecast (pre Covid-19) due to lower volume in repairs. Discretionary spends have been reduced during the year, however the Company has benefited by receiving £49k from the Coronavirus Retention Scheme.

The Company's activities are financed via retained cash within the business. Cash position and the end of 2020 and beginning of 2021 was £73k. This position has been increased during the first quarter of the year with £118k balance at 30th of April. Also, Langham Lifts limited have

Langham Lifts Limited

received confirmation of financial support from related party Orona Limited. The Directors believe the stress testing undertaken represents severe but plausible scenarios in these uncertain times.

On the basis of their assessment of the Company's financial position and resources, the directors believe that the Company is well placed to manage its business risks. Therefore the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

c) Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions. A qualifying entity is defined as a member of a group that prepares publicly available financial statements, which give a true and fair view, in which that member is consolidated. Langham Lifts Limited is a qualifying entity as its results are consolidated into the financial statements of Orona Holdings S.A. which are publicly available.

As a qualifying entity, the Company has taken advantage of the following exemption:

- i) from the requirement to prepare a statement of cash flows as required by paragraph 3.17(d) of FRS 102. Notes to the financial statements (continued)
- ii) From the finance instruments disclosures under FRS 102 paragraphs 11.42, 11.44, 11.45, 11.47, 11.48 (a)(iii), 11.48 (a)(iv), 11.48 (b), 11.48 (c), 12.26, 12.27, 12.29 (a), 12.29 (b) and 12.29A; as the information is provided in the consolidated financial statements and the relevant disclosures are included therein

d) Turnover and long term contracts

The amount of profit attributable to the stage of completion of a long term contract is recognised when the outcome of the contract can be foreseen with reasonable certainty. Turnover represents the amounts (excluding value added tax) derived from the provision of goods and services to third party customers. Turnover on new lifts is recognised at a set percentage when a contract milestone is achieved. The milestones are delivery of material to site, lift mechanically functional, practical completion and lift tested and in service. Provision is made for any losses as soon as they are foreseen.

Contract work in progress is stated as costs incurred less those transferred to the profit and loss account, after deducting foreseeable losses and payment on account not matched with turnover.

Amounts recoverable on contracts are included in debtors and represent turnover recognised in excess of payments on account. When payments on account exceed amounts recoverable on contracts, they are included in creditors.

For short term contracts, revenue is recognised when the installation is practically complete.

Langham Lifts Limited

Notes to the financial statements (continued)

e) Tangible assets

Tangible fixed assets are stated at historic cost less accumulated depreciation. Cost includes the original purchase prices of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Motor vehicles	-	25% straight line
Fixtures and Fittings	-	33% straight line

Tangible fixed assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in statement of comprehensive income and included within the operating profit.

f) Stocks

Stocks and work in progress are stated at the lower of cost and estimated selling price less cost to complete and sell. In determining the cost of goods purchased for resale and finished goods, the weighted average purchase price is used. Where necessary, provision is made for obsolete, slow-moving and defective stocks.

g) Taxation

Taxation comprises current and deferred tax recognised in the reporting period.

Current or deferred taxation assets and liabilities are not discounted.

Current tax

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

Deferred tax 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 at the balance sheet date. A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be sufficient suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis.

Langham Lifts Limited

Notes to the financial statements (continued)

h) Foreign currencies

Functional and presentation currency

The Company's functional and presentation currency is the Great British Pound sterling.

Transactions and balances

Assets and liabilities expressed in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date or at the agreed contractual rate. Transactions in foreign currency are translated at the rate ruling at the date of the transaction. All differences on exchange are taken to the statement of comprehensive income.

i) Operating leases

Operating lease expenses are charged on a straight line basis over the lease term. Incentives received to enter into an operating lease are credited to the profit and loss account, to reduce the lease expense, on a straight-line basis over the period of the lease.

The Company has taken advantage of the exemption in respect of lease incentives on leases in existence on the date of transition to FRS 102 (1 January 2014) and continues to credit such lease incentives to the statement of comprehensive income over the period to the first review date on which the rent is adjusted to market rates.

j) Employee benefits

The Company provides a range of benefits to employees, including defined contribution pension scheme.

Short term benefits

Short-term employee benefits such as salaries and compensated absence are recognised as an expense in the year employees render services to the Company.

Pensions

The Company operates a defined contribution pension scheme. The costs relating to this scheme are charged to the statement of comprehensive income as they fall due.

k) Related Parties

As the Company is a wholly owned subsidiary of Orona Holding S.A, it has taken the advantage of exemption under Section 33.1A of FRS 102 and has therefore not disclosed transactions or balances with other wholly owned entities which form part of the group.

l) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within borrowings in current liabilities.

Langham Lifts Limited

Notes to the financial statements (continued)

m) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

n) Financial instruments

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

Financial Assets

Basic financial assets, including debtors and cash and bank balances, are initially recognised at transaction price. Such assets are subsequently carried at amortised cost using the effective interest method where applicable.

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 the statement of comprehensive income. Financial assets are derecognised when (i) the contractual rights to the cash flows from the asset expire or are settled, or (ii) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (iii) despite having retained some significant risks and rewards of ownership, 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.

Financial Liabilities

Basic financial liabilities, including trade and other payables and loans from fellow Group companies, 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. Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables 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 expired.

Langham Lifts Limited

Notes to the financial statements (continued)

o) 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.

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.

Profit on long term contracts

The revenue deriving from the rendering of maintenance services are recognized taking into consideration the extent completion at the closing date when the amount of the revenues, the extent of completion, the costs already incurred and yet to be incurred if reliability measurable and it is likely that the financial benefits deriving from the rendering of the service will be received. In case of the rendering of services whose final result cannot be reliably estimated, revenues are only recognized up to the limit of recognized expenses that are recoverable..

Impairment of debtors

Management make an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience (note 11).

Inventory provision

When calculating the inventory provision, management considers the nature and condition of stock, as well as applying assumptions around anticipated saleability of finished goods and future usage of materials. Impairment of £nil has been recognised for 2019 and 2020.

Accruals and provisions

Management perform an assessment of actual expenses incurred in the period and the likelihood of further costs being incurred in the future as a result of past obligating events, on the basis of the Company's activities in the reporting period and historical experience.

Langham Lifts Limited

Notes to the financial statements (continued)

4. Turnover

The Company's turnover and operating profit related entirely to its principal activity and arose in the United Kingdom.

5. Employee information

The aggregate payroll costs (including executive directors) were as follows:

	2020 £	2019 £
Wages and salaries	509,949	593,014
Social security costs	56,738	63,205
Other pensions costs	12,099	10,945
	578,786	667,164

The average monthly number of persons (including executive directors) employed by the Company during the year was:

By activity	2020 number	2019 number
Maintenance	13	11
Administration	4	3
	17	14

Langham Lifts Limited

Notes to the financial statements (continued)

6. Directors' emoluments

Directors emoluments received from Langham Lifts Limited in 2020 amounted to £nil.

7. Operating profit

Operating profit is stated after charging:

	2020 £	2019 £
Depreciation – owned assets (note 10)	875	1,093
Operating lease expense	68,542	62,083
Foreign currency exchange gains	-	-
Impairment of trade receivables	8,251	(3,247)
Services provided by the Company's auditors		
- Fees payable for the audit	18,000	16,759

Langham Lifts Limited

Notes to the financial statements (continued)

8. Other income

	2020 £	2019 £
Wages and salaries	45,340	-
Social security costs	3,340	-
Other pensions costs	593	-
	49,273	-

CJRS will reimburse 80% of the wages up to a maximum of £2,500 per month of certain employees who have been asked to stop working ('furloughed'), but who are being kept on the payroll.

As a Government grant, CJRS is deferred and recognised in the income statement over the same period necessary to match it with the cost intended to be compensated. Under FRS102, grant income is disclosed as other income with the corresponding cost included in payroll costs (see note 5).

Langham Lifts Limited

Notes to the financial statements (continued)

9. Tax on profit

Analysis of the tax charge in the year	2020 £	2019 £
UK corporation tax at 19% (2019: 19%)	20,588	36,903
Total current tax	20,588	36,903
Tax on profit	20,588	36,903

The total tax assessed for the year is higher (2019: higher) than the standard rate of corporation tax in the UK of 19% (2019: 19%). The differences are explained below:

	2020 £	2019 £
Total taxation reconciliation		
Profit before taxation	107,894	192,870
Current tax at 19% (2019: 19%)	20,500	36,645
Effects of		
Expenses not deductible	-	-
Adjustments in respect of prior years	-	341
Tax rate changes	88	(83)
Total Current tax charge for the year	20,588	36,903

Factors affecting current and future tax changes

In the Spring Budget 2020, the UK Government announced that, from 1 April 2020 the corporation tax rate would remain at 19% (rather than reducing to 17% as previously enacted). This new law was substantively enacted on 17 March 2020. Deferred taxes at the balance sheet date have been measured using this enacted tax rates and reflected in these financial statements.

Langham Lifts Limited

Notes to the financial statements (continued)

10. Tangible assets

	Motor vehicles	Fixtures and fittings	Total
	£	£	£
Cost			
At 1 January 2020	70,334	76,353	146,687
At 31 December 2020	70,334	76,353	146,687
Accumulated Depreciation			
At 1 January 2020	70,314	71,979	142,293
Charge for the year	-	875	875
At 31 December 2020	70,314	72,854	143,168
Net book amount			
At 31 December 2020	20	3,499	3,519
At 31 December 2019	20	4,374	4,394

11. Inventories

	2020 £	2019 £
Consumables Supplies	29,373	33,093
Work in progress	22,613	18,664
	51,986	51,757

Work in progress includes the following amounts in respect of long-term contracts

The amount of inventories recognised as an expense during the year was £155,242 (2019: £280,244 expense)

Stocks are stated after providing for impairment of £nil (2019: £nil).

Langham Lifts Limited

Notes to the financial statements (continued)

12. Debtors: amounts falling due within one year

	2020 £	2019 £
Amounts falling due within one year		
Trade debtors	245,921	119,156
Amounts recoverable on contracts	1,316	3,024
Prepayments and accrued income	16,603	9,512
	263,840	131,692

Trade debtors are stated after provision of impairment of £10,281 (2019: £2,230).

13. Creditors: amounts falling due within one year

	2020 £	2019 £
Payments received on account	175,624	225,103
Trade creditors	55,893	20,290
Other taxation and social security	60,035	61,826
Corporation tax	12,320	19,299
Accruals and deferred income	36,185	37,890
	340,057	364,408

Langham Lifts Limited

Notes to the financial statements (continued)

14. Financial commitments

At 31 December 2020, the Company had future minimum lease payments under non-cancellable operating leases for each of the following periods:

	2020 £	2019 £
Not later than one year	51,182	15,702
Later than one year and not later than five years	177,190	15,872
Later than five years	85,000	-
Total commitment	313,372	31,574

There are no other commitment outstanding as at 31 Dec 2020 (2019: £nil)

15. Called up share capital

	2020 £	2019 £
Allotted, issued and fully paid		
120 (2019: 120) ordinary shares of £1 each	120	120

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

16. Dividends paid

	2020 £	2019 £
Dividends of £799.72 per share were declared and paid during the year (2019: £1,301.58)	95,966	156,189

The dividend was final and fully paid as at the year end

Langham Lifts Limited

Notes to the financial statements (continued)

17. Ultimate parent undertaking and ultimate controlling party

The ultimate parent undertaking and controlling party of Langham Lifts Limited is Orona S. Coop, a Company incorporated and registered in Spain. The parent undertaking of the smallest and largest group which includes the Company and for which consolidated financial statements are prepared is Orona S. Coop. The consolidated financial statements may be obtained from Poligono Industrial Lastaola, Hernani 20120 Guipuzcoa – Spain.