

Temple Lifts Limited

Company No. 2388497

Financial Statements

For the year ended

30 June 2005



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Temple Lifts Limited

Company Information

Directors

D.P. Barden
S.J. Hamlin

Secretary

S.J. Hamlin

Registered Office

Hayward House
329 Baring Road
London
SE12 0DZ

Auditors

Kingston Smith LLP
Orbital House
20 Eastern Road
Romford
Essex, RM1 3PJ

Temple Lifts Limited

Report of the Directors

The directors have pleasure in presenting their report and financial statements for the year ended 30 June 2005.

Principal activities and review of the business

The principal activity of the company throughout the year was that of lift contractors.

Results and dividends

The results for the year are set out on page 4.

Dividends of £243,074 (2004-£165,210) have been paid in the year under review.

Directors

The following directors have held office since 1 July 2004:

D.P. Barden

S.J. Hamlin

Directors' interests

The directors who served the company during the year together with their interests (including family interests) in the shares of the company at the beginning (or subsequent date of appointment) and end of the year, were as follows:

	30 June 2005	Ordinary of £ 1 each 1 July 2004
D.P. Barden	500	500
S.J. Hamlin	500	500

Auditors

On 1st May 2006, Kingston Smith transferred their business to Kingston Smith LLP, a limited liability partnership incorporated under the Limited Liability Partnership Act 2000. The company's consent has been given to treating the appointment of Kingston Smith as extending to Kingston Smith LLP under the provision of section 26(5) of the Companies Act 1989. Kingston Smith LLP have indicated their willingness to continue in office and in accordance with the provisions of the Companies Act it is proposed that they be re-appointed auditors for the ensuing year.

On behalf of the Board



D.P. Barden
Director

Hayward House
329 Baring Road
London
SE12 0DZ

Date: 27th June 2006

Temple Lifts Limited

Directors' Responsibilities & Report of the Auditors

Statement of 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; and prepare the financial statements on a going concern basis unless it is inappropriate to assume 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.

Independent Auditors' Report to the Shareholders of Temple Lifts Limited

We have audited the financial statements of Temple Lifts Limited which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement and the related notes for the year ended 30 June 2005. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken for no purpose other than to draw to the attention of the company's members those matters which we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party 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 the directors and auditors

As described in the statement of directors' responsibilities, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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.

Temple Lifts Limited

Directors' Responsibilities & Report of the Auditors (continued)

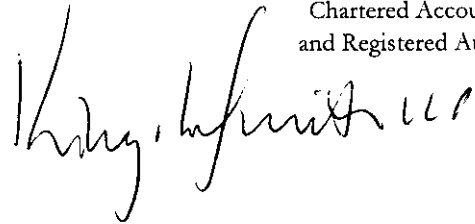
Opinion

In our opinion the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 30 June 2005 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Orbital House
20 Eastern Road
Romford
Essex, RM1 3PJ

Date: 30th June 2006

Kingston Smith LLP
Chartered Accountants
and Registered Auditors



Temple Lifts Limited
Profit and Loss Account
For the year ended 30 June 2005

		2005	2004
	Notes	£	as restated £
Turnover	2	6,904,347	6,054,515
Cost of sales		(5,455,377)	(4,650,579)
Gross profit		1,448,970	1,403,936
Administrative expenses		(1,224,085)	(1,150,579)
Operating profit	3	224,885	253,357
Investment income	6	150,000	-
Other interest receivable and similar income		139	393
Interest payable and similar charges	7	(126,707)	(60,472)
Profit on ordinary activities before taxation		248,317	193,278
Taxation	8	(21,279)	3,904
Profit on ordinary activities after taxation		227,038	197,182
Dividends	9	(243,074)	(165,210)
Retained (loss)/profit for the year	17	(16,036)	31,972

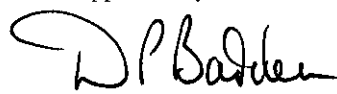
The profit and loss account has been prepared on the basis that all operations are continuing operations.

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

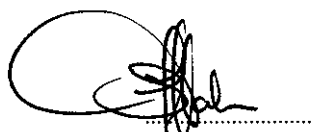
Temple Lifts Limited
Balance Sheet
As at 30 June 2005

		2005	2004
	Notes	£	as restated £
Fixed Assets			
Tangible assets	10	90,875	111,308
Investments	11	428,326	-
		<u>519,201</u>	<u>111,308</u>
Current Assets			
Stocks	12	120,090	49,495
Debtors	13	1,645,343	1,377,951
Cash at bank and in hand		754	236,518
		<u>1,766,187</u>	<u>1,663,964</u>
Creditors: Amounts falling due within one year	14	<u>(1,993,599)</u>	<u>(1,469,543)</u>
Net Current (Liabilities)/Assets		<u>(227,412)</u>	<u>194,421</u>
Total Assets Less Current Liabilities		<u>291,789</u>	<u>305,729</u>
Creditors: Amounts falling due after more than one year	15	<u>(3,873)</u>	<u>(1,777)</u>
		<u>287,916</u>	<u>303,952</u>
Capital and Reserves			
Called up share capital	16	1,000	1,000
Profit and loss account	17	286,916	302,952
Shareholders' Funds - Equity Interests		<u>287,916</u>	<u>303,952</u>

Approved by the Board on 29/06/06



D.P. Barden
Director


S. Hamlin
Director

Temple Lifts Limited
Cash Flow Statement
For the year ended 30 June 2005

	2005		2004 as restated	
	£	£	£	£
Net Cash Inflow from Operating Activities (Note 1)		634,302		641,018
Returns on Investments and Servicing of Finance				
Interest received	139		393	
Interest paid	(121,280)		(67,114)	
Interest element of finance lease rentals	(5,427)		-	
		<hr/>		<hr/>
Net Cash Outflow for Returns on Investments and Servicing of Finance		(126,568)		(66,721)
Taxation		(48,454)		(68,908)
Capital Expenditure				
Payments to acquire tangible assets	(15,016)		(15,946)	
Payments to acquire investments	(428,326)		-	
Receipts from sales of tangible assets	6,913		3,350	
		<hr/>		<hr/>
Net Cash Inflow for Capital Expenditure		(436,429)		(12,596)
Equity Dividends Paid		(243,074)		(165,210)
		<hr/>		<hr/>
Net Cash Inflow before Management of Liquid Resources and Financing		(200,223)		198,301
Financing				
Capital element of hire purchase contracts	(34,684)		(18,841)	
Net Cash Outflow from Financing		(34,684)		(18,841)
		<hr/>		<hr/>
Increase in Cash (Note 2)		(234,907)		179,460
		<hr/>		<hr/>

Temple Lifts Limited
Notes to the Cashflow Statement
For the year ended 30 June 2005

1	Reconciliation of Operating Profit to Net Cash Inflow from Operating Activities	2005	2004		
		£	as restated £		
	Operating profit	224,885	253,357		
	Depreciation of tangible assets	30,291	37,104		
	Loss on disposal of tangible assets	7,929	3,410		
	(Increase)/decrease in stocks	(70,595)	179,557		
	Increase in debtors	(116,906)	(305,696)		
	Increase in creditors within one year	578,698	473,286		
	Net Cash Inflow from Operating Activities	634,302	641,018		
2	Reconciliation of Net Cash Flow to Movement in Net (Debt)/Funds (Note 3)	2005	2004		
		£	£		
	(Decrease)/increase in cash in the year	(234,907)	179,460		
	Cash outflow from decrease in debt and lease financing	34,684	18,841		
	New finance lease	(9,684)	-		
	Movement in net (debt)/funds in the year	209,907	198,301		
	Opening net funds	201,399	3,098		
	Closing net (debt)/funds	(8,508)	201,399		
3	Analysis of Net (Debt)/Funds	1 July 2004	Cash flow	Other non-cash changes	30 June 2005
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	236,518	(235,764)	-	754
	Bank overdrafts	(1,147)	857	-	(290)
		235,371	(234,907)	-	464
	Debt:				
	Finance leases	(33,972)	34,684	(9,684)	(8,972)
	Net funds/(debt)	201,399	(200,223)	(9,684)	(8,508)

Temple Lifts Limited

Notes to the Financial Statements

For the year ended 30 June 2005

1 Accounting Policies

a) Accounting basis and standards

The financial statements have been prepared in accordance with applicable accounting standards.

b) Compliance with accounting standards

In the prior period an amount of £275,699 was included as Work in Progress. This amount related to contracts in progress at the year end on which invoices had been issued subsequent to the year end. This amount has been reclassified as turnover as the company held a contractual right to income, reducing the Work in Progress balance as at 30 June 2004 and increasing Prepayments and Accrued Income in debtors. There is no effect on the gross profit or net assets of the company at 30 June 2004 following this adjustment.

c) Investments

Fixed asset investments are stated at cost less provision for diminution in value.

d) Depreciation

Depreciation on fixed assets is provided at rates estimated 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
Motor vehicles	25% reducing balance

e) Stocks and work in progress

Work in progress is calculated on an individual contract basis, where contracts straddle two financial periods, profit on those contracts is only taken where their outcome can be foreseen with reasonable certainty based upon the original contract price and the future expected costs to be incurred. Full provision is made for all known or expected losses on individual contracts.

f) Turnover

Turnover represents the invoiced value of goods and services provided net of value added tax, and includes amounts invoiced subsequent to the year end where the company had a contractual right to income at the year end.

g) Deferred taxation

In accordance with FRS 19, deferred tax is recognised as a liability or asset if transactions or events that give the company the obligation to pay more tax in future or a right to pay less tax in future have occurred by the balance sheet date.

h) Leasing and hire purchase commitments

Assets held under finance lease and hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives.

The interest element of the rental obligations is charged to the profit and loss account over the period of the lease (and represents a constant proportion of the balance of capital repayments outstanding).

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

i) Pension scheme arrangements

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with FRS 17.

2 Turnover

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

Temple Lifts Limited
Notes to the Financial Statements
For the year ended 30 June 2005 (continued)

3 Operating Profit	2005	2004
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets:		
Owned assets	26,506	24,820
Leased assets	3,785	12,284
Loss on disposal of tangible assets	7,929	3,410
Operating lease rentals		
- Plant and machinery	31,971	28,743
Auditors' remuneration	13,000	7,000
	<u> </u>	<u> </u>

4 Employee Information

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

	2005	2004
	Number	Number
Contracts	67	65
Administration	15	14
	<u> </u>	<u> </u>
	82	79
	<u> </u>	<u> </u>

The total remuneration was:

	£	£
Wages and salaries	2,458,200	1,961,553
Social security costs	233,822	193,586
Contributions to defined contribution pension scheme	44,619	35,950
	<u> </u>	<u> </u>
	2,736,641	2,465,102
	<u> </u>	<u> </u>

5 Directors' Emoluments	2005	2004
	£	£
Emoluments for qualifying services	79,228	51,787
Company pension contributions to defined contribution schemes	6,000	6,000
	<u> </u>	<u> </u>
	85,228	57,787
	<u> </u>	<u> </u>

The number of directors for whom retirement benefits are accruing under defined contribution pension schemes amounted to 2 (2004- 2).

6 Investment Income	2005	2004
	£	£
Income from shares in group undertakings	150,000	-
	<u> </u>	<u> </u>

Temple Lifts Limited
Notes to the Financial Statements
For the year ended 30 June 2005 (continued)

7	Interest Payable and Similar Charges	2005	2004
		£	£
	On bank loans and overdrafts	44	168
	Hire purchase interest	5,427	7,596
	On overdue tax	-	911
	Factor interest and charges	121,236	51,797
		<u>126,707</u>	<u>60,472</u>
8	Taxation	2005	2004
		£	£
	Domestic current year tax		
	U.K. corporation tax	21,765	42,252
	Adjustment for prior years	-	(45,659)
	Current tax charge	<u>21,765</u>	<u>(3,407)</u>
	Deferred tax		
	Deferred tax credit current year	(486)	(497)
		<u>21,279</u>	<u>(3,904)</u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	<u>248,317</u>	<u>193,278</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19.00% (2004: 19.00%)	<u>47,180</u>	<u>36,723</u>
	Effects of:		
	Non deductible expenses	4,105	5,032
	Depreciation	5,755	7,697
	Capital allowances	(6,775)	(7,200)
	Adjustments to previous periods	-	(45,659)
	Directors' and participators' remuneration	(28,500)	-
		<u>(25,415)</u>	<u>(40,130)</u>
	Current tax charge	<u>21,765</u>	<u>(3,407)</u>
9	Dividends	2005	2004
		£	£
	Ordinary interim paid	<u>243,074</u>	<u>165,210</u>

Temple Lifts Limited
Notes to the Financial Statements
For the year ended 30 June 2005 (continued)

10 Tangible Assets

	Plant and machinery £	Motor vehicles £	Total £
Cost			
At 1 July 2004	19,817	296,031	315,848
Additions	6,193	18,507	24,700
Disposals	-	(51,881)	(51,881)
	<hr/>	<hr/>	<hr/>
At 30 June 2005	26,010	262,657	288,667
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1 July 2004	14,099	190,441	204,540
On disposals	-	(37,039)	(37,039)
Charge for the year	2,977	27,314	30,291
	<hr/>	<hr/>	<hr/>
At 30 June 2005	17,076	180,716	197,792
	<hr/>	<hr/>	<hr/>
Net book value			
At 30 June 2005	8,934	81,941	90,875
	<hr/>	<hr/>	<hr/>
At 30 June 2004	5,717	105,591	111,308
	<hr/>	<hr/>	<hr/>

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

	Plant and machinery £
Net book values	
At 30 June 2005	11,356
	<hr/>
At 30 June 2004	36,852
	<hr/>
Depreciation charge for the year	
30 June 2005	3,785
	<hr/>
30 June 2004	12,284
	<hr/>

Temple Lifts Limited
Notes to the Financial Statements
For the year ended 30 June 2005 (continued)

11 Investments

	Shares in subsidiary undertakings £
Cost	
At 1 July 2004	-
Additions	428,326
	<hr/>
At 30 June 2005	428,326
	<hr/> <hr/>

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Class	Shares held	%
Subsidiary undertakings				
Temple Lifts (Southern) Limited	United Kingdom	Ordinary		100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Capital and reserves	Profit for the year
Temple Lifts (Southern) Limited	99,421	(86,871)
	<hr/>	<hr/>

12 Work in Progress

	2005	2004 as restated
	£	£
Work in progress	120,090	49,495
	<hr/>	<hr/>

Temple Lifts Limited
Notes to the Financial Statements
For the year ended 30 June 2005 (continued)

13 Debtors	2005	2004 as restated
	£	£
Trade debtors	1,330,341	902,105
Amounts owed by parent and fellow subsidiary undertakings	50,256	-
Other debtors	34,619	65,687
Prepayments and accrued income	224,814	405,332
Deferred tax asset	5,313	4,827
	<u>1,645,343</u>	<u>1,377,951</u>

Deferred tax

	2005 £
Balance at 1 July 2004	4,827
Profit and loss account	486
	<u>5,313</u>
Balance at 30 June 2005	<u>5,313</u>

An asset has been recognised for those timing differences which are expected to crystallise in the foreseeable future.

	2005 £	2004 £
Accelerated capital allowances	<u>5,313</u>	<u>4,827</u>

14 Creditors: Amounts Falling Due Within One Year	2005 £	2004 £
Bank loans and overdrafts	290	1,147
Net obligations under hire purchase contracts (Note 18)	5,099	32,195
Trade creditors	902,712	884,291
Corporation tax	21,765	48,454
Other taxes and social security costs	357,107	290,656
Directors' current accounts	10,030	3,628
Other creditors	568,063	179,909
Accruals and deferred income	128,533	29,263
	<u>1,993,599</u>	<u>1,469,543</u>

15 Creditors: Amounts Falling Due After More Than One Year	2005 £	2004 £
Net obligations under hire purchase contracts (Note 18)	<u>3,873</u>	<u>1,777</u>

Temple Lifts Limited
Notes to the Financial Statements
For the year ended 30 June 2005 (continued)

16	Share Capital	2005	2004	
		£	£	
	Authorised			
	1,000 Ordinary of £1 each	1,000	1,000	
	Allotted, called up and fully paid			
	1,000 Ordinary of £1 each	1,000	1,000	
17	Shareholders' funds			
2005		Share capital	Profit and loss account	Total
		£	£	£
	Balance at 1 July 2004	1,000	302,952	303,952
	Retained loss for the year	-	(16,036)	(16,036)
	Balance at 30 June 2005	1,000	286,916	287,916
2004		Called up share capital	Profit and loss account	Total
		£	£	£
	Balance at 1 July 2003	1,000	270,980	271,980
	Retained profit for the year	-	31,972	31,972
	Balance at 30 June 2004	1,000	302,952	303,952

Temple Lifts Limited
Notes to the Financial Statements
For the year ended 30 June 2005 (continued)

18 Future Financial Commitments

a) Operating leases

At 30 June 2005 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2005	2004	2005	2004
	£	£	£	£
Operating lease which expire:				
within one year	24,600	24,600	1,369	21,552
in the second to fifth year	-	-	62,728	2,171
	<u>24,600</u>	<u>24,600</u>	<u>64,097</u>	<u>23,723</u>

b) Finance leases

At 30 June 2005 the company had obligations under finance leases and hire purchase contracts which are set out below:

	2005	2004
	£	£
Gross amount payable:		
within one year	5,846	36,979
in the second to fifth year	4,708	2,145
	<u>10,554</u>	<u>39,124</u>
Deduct: Finance charges allocated to future periods	(1,582)	(5,152)
	<u>8,972</u>	<u>33,972</u>
Finance lease and hire purchase contracts are analysed as follows:		
due within one year (Note 14)	5,099	32,195
due after more than one year (Note 15)	3,873	1,777
	<u>8,972</u>	<u>33,972</u>

19 Transactions with Directors

The company has a discount factoring agreement with Lloyds Commercial Finance over certain Trade debtor balances, the directors D. P. Barden and S. J. Hamlin have provided full indemnities on any balances advanced to the company.

Included in creditors: amounts falling due within one year are amounts of £10,030 (2004-£3,628) due to D.P. Barden and £Nil (2004-£Nil) due to S. J. Hamlin.

Temple Lifts Limited
Notes to the Financial Statements
For the year ended 30 June 2005 (continued)

20 Related Party Transactions

Temple Lifts Limited acquired 100% of the share capital of Temple Lifts (Southern) Limited on 14th March 2005 for £390,000.

Cost of Sales includes post acquisition purchases from Temple Lifts (Southern) Limited of £317.

At the 30th June 2005 debtors included a balance of £50,256 owed by Temple Lifts (Southern) Limited.

21 Controlling Party

The directors D.P. Barden and S.J. Hamlin jointly control the company.