

**TEMPLE LIFTS LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2008**

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# TEMPLE LIFTS LIMITED

## COMPANY INFORMATION

**Directors**

D.P. Barden  
S.J. Hamlin  
J. Phillips  
B. Harden

**Secretary**

S.J. Hamlin

**Company number**

2388497

**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

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# TEMPLE LIFTS LIMITED

## DIRECTORS' REPORT FOR THE PERIOD ENDED 31 DECEMBER 2008

The directors present their report and financial statements for the 18 month period ended 31 December 2008.

### Principal activities and review of the business

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

The company provides maintenance, installation and repairs to lifts and escalators within diverse environments and geographical locations within the UK. Customers include many well known Hospitals, Health Authorities, Educational Bodies, Local Councils and Bluechip Commercial Companies.

Turnover has increased in the period to £15,694,195, up from £8,052,828 in 2007. The gross margin has slightly reduced in the period as a result of operational changes.

The subsidiary, Temple Lifts (Southern) Limited, was merged with effect from 1 January 2008. The accounting year end has also been changed to 31 December 2008. These accounts therefore reflect 12 months trading of the merged business and 6 months of the old organisation. The restructuring has incurred some non-recurring costs and the company has also undertaken a review of the management information systems and practices. Changes arising from that review are progressing.

The company is continuing to review its cost structure and anticipates further improvements in reported profits in future, arising from savings and increased activity.

The principal risk to the ongoing success of the business is the economic situation, but the company is a strong supplier to the public sector with less exposure to the private sector. The company has an encouraging order book for 2009 and is optimistic of future trading.

### Results and dividends

The results for the period are set out on page 5.

Dividends of £99,160 (2007: £167,120) have been paid in the period under review.

### Directors

The following directors have held office since 1 July 2007:

D.P. Barden  
S.J. Hamlin  
J. Phillips  
B. Harden

### Charitable donations

	2008	2007
	£	£
During the period the company made the following payments:		
Charitable donations	1,186	-

### Auditors

The auditors, Kingston Smith LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

# TEMPLE LIFTS LIMITED

## DIRECTORS' REPORT (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2008

### Directors' responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

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 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.

### Statement of disclosure to auditor

(a) so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and

(b) they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



D.P. Barden

Director

27/05/2009

# **TEMPLE LIFTS LIMITED**

## **INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF TEMPLE LIFTS LIMITED**

We have audited the financial statements of Temple Lifts Limited for the period ended 31 December 2008 set out on pages 5 to 19. These financial statements have been prepared under 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 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 the directors and auditors**

As described in the Statement of Directors' Responsibilities on page 2 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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, and whether in our opinion the information given in the directors' report is consistent with the financial statements. We also report to you if, in our opinion, 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 other transactions 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

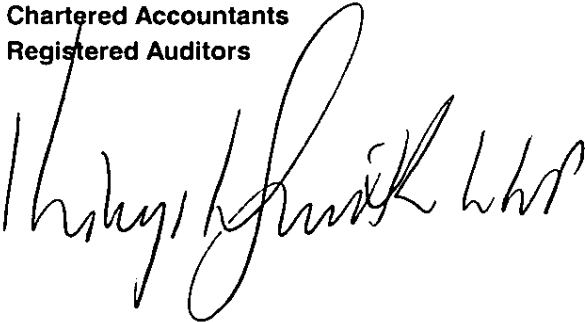
## INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE SHAREHOLDERS OF TEMPLE LIFTS LIMITED

### 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 31 December 2008 and of its profit for the period then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the directors' report is consistent with the financial statements.

Kingston Smith LLP  
Chartered Accountants  
Registered Auditors



29th May 2009

Orbital House  
20 Eastern Road  
Romford  
Essex, RM1 3PJ

# TEMPLE LIFTS LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31 DECEMBER 2008

		Period ended 31 December 2008 £	Year ended 30 June 2007 £
	Notes		
Turnover	2	15,694,165	8,052,828
Cost of sales		(12,132,724)	(6,058,678)
<b>Gross profit</b>		3,561,441	1,994,150
Administrative expenses		(3,123,766)	(1,504,929)
Other operating income		-	43,400
<b>Operating profit</b>	3	437,675	532,621
Other interest receivable and similar income	4	4,276	103
Interest payable and similar charges	5	(170,912)	(150,307)
<b>Profit on ordinary activities before taxation</b>		271,039	382,417
Tax on profit on ordinary activities	6	(88,150)	(60,085)
<b>Profit for the period</b>	18	182,889	322,332

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 31 DECEMBER 2008

	Notes	2008 £	£	2007 £	£
<b>Fixed assets</b>					
Intangible assets	8		406,910		-
Tangible assets	9		23,526		48,205
Investments	10		-		428,326
			<u>430,436</u>		<u>476,531</u>
<b>Current assets</b>					
Stocks	11	25,389		44,477	
Debtors	12	2,003,759		1,635,211	
Cash at bank and in hand		35,770		542	
		<u>2,064,918</u>		<u>1,680,230</u>	
<b>Creditors: amounts falling due within one year</b>	13	(2,131,461)		(1,835,902)	
<b>Net current liabilities</b>			<u>(66,543)</u>		<u>(155,672)</u>
<b>Total assets less current liabilities</b>			<u>363,893</u>		<u>320,859</u>
<b>Creditors: amounts falling due after more than one year</b>	14		-		(40,695)
			<u>363,893</u>		<u>280,164</u>
<b>Capital and reserves</b>					
Called up share capital	17		1,000		1,000
Profit and loss account	18		362,893		279,164
<b>Shareholders' funds</b>	19		<u>363,893</u>		<u>280,164</u>

Approved by the Board and authorised for issue on 27/05/2009

D.P. Barden  
Director

S.J. Hamlin  
Director

# TEMPLE LIFTS LIMITED

## CASH FLOW STATEMENT FOR THE PERIOD ENDED 31 DECEMBER 2008

	Period ended 31 December 2008		Year ended 30 June 2007
	£	£	£
<b>Net cash inflow from operating activities</b>		492,990	420,320
<b>Returns on investments and servicing of finance</b>			
Interest received	4,276		103
Interest paid	(170,458)		(149,926)
Interest element of finance lease rentals	(454)		(381)
<b>Net cash outflow for returns on investments and servicing of finance</b>		(166,636)	(150,204)
<b>Taxation</b>		(53,906)	(34,129)
<b>Capital expenditure and financial investment</b>			
Payments to acquire tangible assets	(13,412)		(20,761)
Receipts from sales of tangible assets	3,826		8,500
<b>Net cash inflow for capital expenditure</b>		(9,586)	(12,261)
<b>Equity dividends paid</b>		(99,160)	(167,120)
<b>Net cash inflow before management of liquid resources and financing</b>		163,702	56,606
<b>Financing</b>			
New long term bank loan	(100,000)		(63,517)
Capital element of hire purchase contracts	(553)		(3,320)
<b>Net cash outflow from financing</b>		(100,553)	(66,837)
<b>Increase in cash in the period</b>		63,149	(10,231)

# TEMPLE LIFTS LIMITED

## NOTES TO THE CASH FLOW STATEMENT FOR THE PERIOD ENDED 31 DECEMBER 2008

1 Reconciliation of operating profit to net cash inflow from operating activities	2008	2007
	£	£
Operating profit	437,675	532,621
Depreciation of tangible assets	19,747	16,327
Amortisation of intangible assets	21,416	-
Loss on disposal of tangible assets	14,518	6,864
Decrease/(increase) in stocks	19,088	(7,839)
Increase in debtors	(366,652)	(412,825)
Increase in creditors within one year	347,198	285,172
<b>Net cash inflow from operating activities</b>	<b>492,990</b>	<b>420,320</b>

2 Analysis of net funds/(debt)	1 July 2007	Cash flow	Other non-cash changes	31 December 2008
	£	£	£	£
Net cash:				
Cash at bank and in hand	542	35,228	-	35,770
Bank overdrafts	(27,921)	27,921	-	-
	(27,379)	63,149	-	35,770
Bank deposits	-	-	-	-
Debt:				
Finance leases	(553)	553	-	-
Debts falling due within one year	(69,762)	59,305	-	(10,457)
Debts falling due after one year	(40,695)	40,695	-	-
	(111,010)	100,553	-	(10,457)
<b>Net (debt)/funds</b>	<b>(138,389)</b>	<b>163,702</b>	<b>-</b>	<b>25,313</b>

3 Reconciliation of net cash flow to movement in net funds/(debt)	2008	2007
	£	£
Increase/(decrease) in cash in the period	63,149	(10,231)
Cash outflow from decrease in debt and lease financing	100,553	66,837
<b>Movement in net funds/(debt) in the period</b>	<b>163,702</b>	<b>56,606</b>
Opening net debt	(138,389)	(194,995)
<b>Closing net funds/(debt)</b>	<b>25,313</b>	<b>(138,389)</b>

# TEMPLE LIFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2008

### 1 Accounting policies

#### 1.1 Accounting convention

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

The directors consider it appropriate to prepare these financial statements on a going concern basis.

#### 1.2 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.

#### 1.3 Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life.

#### 1.4 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
Computer equipment	33 1/3% straight line
Motor vehicles	25% reducing balance

#### 1.5 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.

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

#### 1.6 Investments

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

#### 1.7 Stock 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.

#### 1.8 Pensions

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

#### 1.9 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.

# TEMPLE LIFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2008

### 1 Accounting policies

(continued)

#### 1.10 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

#### 1.11 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertaking comprise a small-sized group. The company has therefore taken advantage of the exemptions provided by section 248 of the Companies Act 1985 not to prepare group accounts.

### 2 Turnover

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

### 3 Operating profit

	2008	2007
	£	£
Operating profit is stated after charging:		
Amortisation of intangible assets	21,416	-
Depreciation of tangible assets	19,747	16,327
Loss on disposal of tangible assets	14,518	6,864
Loss on foreign exchange transactions	521	-
Operating lease rentals		
- Plant and machinery	7,915	8,345
Auditors' remuneration (including expenses and benefits in kind)	20,500	24,970

### 4 Investment income

	2008	2007
	£	£
Bank interest	4,276	103

# TEMPLE LIFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2008

<b>5</b>	<b>Interest payable</b>	<b>2008</b>	<b>2007</b>
		<b>£</b>	<b>£</b>
	On bank loans and overdrafts	11,470	10,532
	Hire purchase interest	454	381
	On overdue tax	-	671
	Other interest	158,988	138,723
		<u>170,912</u>	<u>150,307</u>
<b>6</b>	<b>Taxation</b>	<b>2008</b>	<b>2007</b>
		<b>£</b>	<b>£</b>
	<b>Domestic current year tax</b>		
	U.K. corporation tax	90,046	53,906
	<b>Current tax charge</b>	<u>90,046</u>	<u>53,906</u>
	<b>Deferred tax</b>		
	Deferred tax (credit)/charge current year	(1,896)	6,179
		<u>88,150</u>	<u>60,085</u>
	<b>Factors affecting the tax charge for the period</b>		
	Profit on ordinary activities before taxation	<u>271,039</u>	<u>382,417</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 29.00% (2007 - 30.00%)	<u>78,601</u>	<u>114,725</u>
	Effects of:		
	Non deductible expenses	38,409	6,851
	Depreciation add back	5,727	4,898
	Capital allowances	(9,702)	(10,004)
	Leased car adjustment	6,700	2,304
	Loss on disposal	4,210	2,059
	Group relief	(11,461)	(52,859)
	Marginal relief	(22,438)	(14,068)
		<u>11,445</u>	<u>(60,819)</u>
	<b>Current tax charge</b>	<u>90,046</u>	<u>53,906</u>

# TEMPLE LIFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2008

<b>7</b>	<b>Dividends</b>	<b>2008</b>	<b>2007</b>
		<b>£</b>	<b>£</b>
	Ordinary interim paid	99,160	167,120
		<u>          </u>	<u>          </u>
<b>8</b>	<b>Intangible fixed assets</b>		
			<b>Goodwill</b>
			<b>£</b>
	<b>Cost</b>		
	At 1 July 2007		-
	Additions		428,326
			<u>          </u>
	At 31 December 2008		428,326
			<u>          </u>
	<b>Amortisation</b>		
	At 1 July 2007		-
	Charge for the period		21,416
			<u>          </u>
	At 31 December 2008		21,416
			<u>          </u>
	<b>Net book value</b>		
	At 31 December 2008		406,910
			<u>          </u>
	At 30 June 2007		-
			<u>          </u>

During the period the trade and assets of the subsidiary company, Temple Lifts (Southern) Limited, were hived up to Temple Lifts Limited. The value of investment on the original purchase of the trade has been reclassified as goodwill.

At the year end the directors have demonstrated that an impairment of the goodwill is not required.

# TEMPLE LIFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2008

### 9 Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Total £
<b>Cost</b>			
At 1 July 2007	40,334	119,644	159,978
Additions	8,869	4,543	13,412
Disposals	-	(103,029)	(103,029)
At 31 December 2008	49,203	21,158	70,361
<b>Depreciation</b>			
At 1 July 2007	26,474	85,299	111,773
On disposals	-	(84,685)	(84,685)
Charge for the period	7,811	11,936	19,747
At 31 December 2008	34,285	12,550	46,835
<b>Net book value</b>			
At 31 December 2008	14,918	8,608	23,526
At 30 June 2007	13,860	34,345	48,205

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

	Plant and machinery £
<b>Net book values</b>	
At 31 December 2008	-
At 30 June 2007	4,539
<b>Depreciation charge for the period</b>	
At 31 December 2008	-
At 30 June 2007	1,513



# TEMPLE LIFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2008

### 10 Fixed asset investments

	Shares in subsidiary undertakings £
<b>Cost</b>	
At 1 July 2007	428,326
Transferred to intangible assets	(428,326)
	<hr/>
At 31 December 2008	-
	<hr/>
<b>Net book value</b>	
At 31 December 2008	-
	<hr/>
At 30 June 2007	428,326
	<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	Shares held Class	%
<b>Subsidiary undertakings</b>			
Temple Lifts (Southern) Limited	United Kingdom	Ordinary	100.00

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 2008	Profit/(loss) for the year 2008
	Principal activity	£	£
Temple Lifts (Southern) Limited	Lift Maintenance	(100,546)	(41,811)

During the period the trade and assets of the subsidiary company, Temple Lifts (Southern) Limited, were hived up to Temple Lifts Limited. The value of investment on the original purchase of the trade has been reclassified as goodwill.

11 Work in progress	2008 £	2007 £
Work in progress	25,389	44,477

# **TEMPLE LIFTS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)** **FOR THE PERIOD ENDED 31 DECEMBER 2008**

<b>12 Debtors</b>	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Trade debtors	1,647,519	1,031,492
Amounts owed by parent and fellow subsidiary undertakings	-	143,899
Other debtors	37,628	35,386
Prepayments and accrued income	313,981	421,699
Deferred tax asset (see note 15)	4,631	2,735
	<u>2,003,759</u>	<u>1,635,211</u>

<b>13 Creditors: amounts falling due within one year</b>	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	10,457	97,683
Net obligations under hire purchase contracts	-	553
Trade creditors	884,182	787,839
Corporation tax	90,046	53,906
Other taxes and social security costs	367,814	346,892
Directors' current accounts	10,030	10,030
Other creditors	392,935	433,094
Accruals and deferred income	375,997	105,905
	<u>2,131,461</u>	<u>1,835,902</u>

Temple Lifts Limited factor applications made on certain sales invoices raised. The factoring account balance included in other creditors amounts to £373,823 (2007: £427,453) at the year end. This is secured against a fixed and floating charge over the present and future assets of the company, including goodwill; the book debts of the company; uncalled capital; building fixtures and fixed plant and machinery.

# **TEMPLE LIFTS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)** **FOR THE PERIOD ENDED 31 DECEMBER 2008**

<b>14 Creditors: amounts falling due after more than one year</b>	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Bank loans	-	40,695
	<u>          </u>	<u>          </u>
<b>Analysis of loans</b>		
Wholly repayable within five years	10,457	110,457
	<u>          </u>	<u>          </u>
	10,457	110,457
Included in current liabilities	(10,457)	(69,762)
	<u>          </u>	<u>          </u>
	-	40,695
	<u>          </u>	<u>          </u>
<b>Loan maturity analysis</b>		
In more than one year but not more than two years	-	69,762
In more than two years but not more than five years	-	40,695
	<u>          </u>	<u>          </u>

Bank loans of £10,457 are secured by personal guarantees given by the directors.

### **15 Provisions for liabilities and charges**

The deferred tax asset (included in debtors, note 12) is made up as follows:

	<b>2008</b>	
	<b>£</b>	
Balance at 1 July 2007	2,735	
Profit and loss account	1,896	
	<u>          </u>	
Balance at 31 December 2008	4,631	
	<u>          </u>	
	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Decelerated capital allowances	4,631	2,735
	<u>          </u>	<u>          </u>

# **TEMPLE LIFTS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)** **FOR THE PERIOD ENDED 31 DECEMBER 2008**

### **16 Pension and other post-retirement benefit commitments**

#### **Defined contribution**

	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Contributions payable by the company for the period	125,352	88,175

### **17 Share capital**

	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
<b>Authorised</b>		
1,000 "Founder" Ordinary of £1 each	1,000	1,000
1,000 Ordinary of £1 each	1,000	1,000
	<u>2,000</u>	<u>2,000</u>
 <b>Allotted, called up and fully paid</b>		
1,000 "Founder" Ordinary of £1 each	<u>1,000</u>	<u>1,000</u>

"Founder" Ordinary shares are entitled to the first £3,000,000 of proceeds in the event of a sale of more than 50% of the equity share capital or on the winding up of the company, in priority to the Ordinary shares. Ordinary shares rank pari-passu in all other respects.

### **18 Statement of movements on profit and loss account**

	<b>Profit and loss account £</b>
Balance at 1 July 2007	279,164
Profit for the period	182,889
Dividends paid	(99,160)
	<u>362,893</u>
Balance at 31 December 2008	<u>362,893</u>

# TEMPLE LIFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2008

19 Reconciliation of movements in shareholders' funds	2008 £	2007 £
Profit for the financial period	182,889	322,332
Dividends	(99,160)	(167,120)
Net addition to shareholders' funds	83,729	155,212
Opening shareholders' funds	280,164	124,952
Closing shareholders' funds	363,893	280,164

### 20 Financial commitments

At 31 December 2008 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2009:

	Land and buildings		Other	
	2008 £	2007 £	2008 £	2007 £
Operating leases which expire:				
Within one year	-	24,600	42,902	35,169
Between two and five years	119,355	-	327,285	81,332
	119,355	24,600	370,187	116,501

21 Directors' emoluments	2008 £	2007 £
Emoluments for qualifying services	481,392	213,763
Company pension contributions to money purchase schemes	53,987	40,502
	535,379	254,265

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 2 (2007 - 2).

Emoluments disclosed above include the following amounts paid to the highest paid director:

Emoluments for qualifying services	135,991	93,115
Company pension contributions to money purchase schemes	20,407	20,251

# TEMPLE LIFTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2008

### 22 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 (2007 - £10,030) due to D.P. Barden and £nil (2007 - £nil) due to S. J. Hamlin, B. Harden and J. Phillips.

### 23 Employees

#### Number of employees

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

	2008 Number	2007 Number
Contracts	80	69
Administration	27	18
	<u>107</u>	<u>87</u>

#### Employment costs

	2008 £	2007 £
Wages and salaries	6,311,481	3,214,150
Other pension costs	125,352	88,175
	<u>6,436,833</u>	<u>3,302,325</u>

### 24 Control

The directors D.P. Barden and S.J. Hamlin jointly control the company, by virtue of their majority holding in the parent company, Temple Lifts Group Limited. The accounts of Temple Lifts Group Limited can be obtained from Hayward House, 329 Baring Road, London, SE12 0DZ.

### 25 Related party transactions

Cost of Sales includes purchases from Temple Lifts (Southern) Limited of £nil (2007: £33,794).

Sales made to Temple Lifts (Southern) Limited for the year, amounted to £nil (2007: £23,623). A management charge of £nil (2007: £43,400) occurred for the year.

At 31 December 2008 debtors included a balance of £100,546 (2007: £143,539) owed by Temple Lifts (Southern) Limited against which a provision of £100,546 has been made due to the uncertainty of the recoverability of the debt.