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PIP LIFT SERVICE LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 1994

ANNUAL RETURN COPY



SEARLE HASAN FREED & COMPANY
ACCOUNTANTS
4 CAMBRIDGE HOUSE, CAMBRIDGE ROAD
BARKING, ESSEX IG11 8NR

PIP LIFT SERVICE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 1994

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The following pages do not form part of the statutory financial statements

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PIP LIFT SERVICE LIMITED

DIRECTOR:	P. MASTERSON
SECRETARY:	L.P. PALMER
REGISTERED OFFICE:	4 CAMBRIDGE HOUSE CAMBRIDGE ROAD BARKING ESSEX IG11 8NR
REGISTERED NUMBER:	2746163
AUDITORS:	SIDDIQUI HASAN & CO CHARTERED ACCOUNTANTS & REGISTERED AUDITORS 4 CAMBRIDGE HOUSE, CAMBRIDGE ROAD BARKING ESSEX IG11 8NR
ACCOUNTANTS:	SEARLE HASAN FREED & CO 4 CAMBRIDGE HOUSE CAMBRIDGE ROAD BARKING ESSEX IG11 8NR

PIP LIFT SERVICE LIMITED
REPORT OF THE DIRECTOR

The director presents his annual report with the financial statements of the company for the year ended 31st December 1994.

PRINCIPAL ACTIVITY

The principal activity of the company in the period under review was that of the lift repairs and maintenance contractors.

DIRECTOR

The director in office during the year and his beneficial interest in the company's issued share capital was as follows:

<u>Name</u>	<u>Class of capital</u>	<u>31.12.1994</u>	<u>01.01.1994</u>
P. Masterson	Ordinary £1	NIL	NIL

BUSINESS AND RESULTS

The results for the year under review show a net profit of £1,744 (1993: Loss £14,609). The company expects to do well and continue to make profits during the years ahead.

PROPOSED DIVIDENDS

The director recommends that no dividend be paid this year and the accumulated loss amounting to £(8,754) be carried forward.

STATEMENTS 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 and 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;
- follow applicable accounting standards;
- prepare the financial statements on the going concern basis.

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.

POLITICAL AND CHARITABLE CONTRIBUTIONS

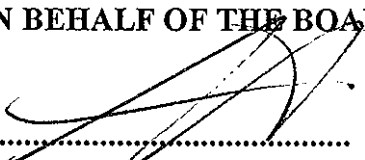
During the period the company did not contribute to any political or charitable organisations.

AUDITORS

M/S SIDDIQUI HASAN & CO. Chartered Accountants, have indicated their unwillingness to be appointed auditors. New Auditors will be appointed under section 385 of the Companies Act 1985.

In preparing the above report, the Director has taken advantage of special exemptions applicable to small companies conferred by Part II of Schedule 8 to the Companies Act 1985.

ON BEHALF OF THE BOARD OF DIRECTORS


..... (L.P. PALMER) Secretary

Approved by the Board on: 13 March 1995

AUDITORS' REPORT TO THE SHAREHOLDERS OF
PIP LIFT SERVICE LIMITED

We have audited the financial statements on pages 5 to 12 which have been prepared in accordance with the accounting policies set out on pages 8 & 9.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

BASIS OF OPINION

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

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

OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 1994 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

SIDDIQUI HASAN & CO

Siddiqui Hasan & Co.
Chartered Accountants and
Registered Auditors

Dated: 14th Feb 1995

4 Cambridge House
Cambridge Road
Barking
Essex IG11 8NR

PIP LIFT SERVICE LIMITED
PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER, 1994

	<u>Notes</u>	<u>1994</u> £	<u>1993</u> £
Turnover	1(c) & 2	278,099	108,702
Cost of Sales		(188,682)	(52,929)
Gross Profit		<u>89,417</u>	<u>55,773</u>
Administrative Expenses		<u>(84,654)</u>	<u>(67,901)</u>
Operating Profit/(Loss)	3	4,763	(12,128)
Profit/(Loss) on disposal of fixed assets		(901)	-
Interest Payable	4	(2,521)	(2,519)
Interest Receivable		403	38
Profit/(Loss) on ordinary activities before taxation		<u>1,744</u>	<u>(14,609)</u>
Taxation	5	(788)	-
Profit/(Loss) for the financial year after taxation		<u>956</u>	<u>(14,609)</u>
Dividends (Proposed)	6	-	-
Retained Profit/(Loss) for the financial year		<u>956</u>	<u>(14,609)</u>
Adjustment for loss surrendered to the parent Co.		4,899	
Profit/(Loss) brought forward at 1 January 1994		(14,609)	-
Profit/(Loss) carried forward at 31 December 1994		<u>£(8,754)</u>	<u>£(14,609)</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the above two financial years.

PIP LIFT SERVICE LIMITED
BALANCE SHEET
AS AT 31ST DECEMBER 1994

	Notes	1994 £	1993 £
FIXED ASSETS			
Tangible Assets	7	18,126	17,107
		<u>18,126</u>	<u>17,107</u>
CURRENT ASSETS			
Stock		7,028	4,924
Debtors	8	36,250	13,565
Cash at Bank and in Hand		27,077	9,231
		<u>70,355</u>	<u>27,720</u>
CURRENT LIABILITIES			
Creditors (amounts falling due within one year)	9	(62,009)	(29,336)
NET CURRENT ASSETS		<u>8,346</u>	<u>(1,616)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		26,472	15,491
Creditors (amounts falling due after more than one year)	10	(35,126)	(30,000)
		<u>£(8,654)</u>	<u>£(14,509)</u>
CAPITAL AND RESERVES			
Called up Share Capital	11	100	100
Profit and Loss Account		(8,754)	(14,609)
SHARE HOLDERS' FUNDS	12	<u>£ (8,654)</u>	<u>£(14,509)</u>
(Including non-equity interests)		<u>=====</u>	<u>=====</u>

The director has taken advantage of special exemptions conferred by Part 1 of Schedule 8 to the Companies Act 1985 applicable to small companies in the preparation of the accounts and have done so on the grounds that, in his opinion, the company qualifies as a small company.

ON BEHALF OF THE BOARD OF DIRECTORS

X P. Masterson.....(Director)
P. Masterson

Approved by the board on : 13th March 1995

PIP LIFT SERVICE LIMITED
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31ST DECEMBER 1994

	<u>1994</u>	<u>1993</u>
	£	£
Profit / (Loss) for the financial year after taxation	956	(14,609)
 Total Recognised Gains/(Losses) relating to the year	 <u>£956</u>	 <u>£(14,609)</u>

The notes on pages 8 to 12 form part of these financial statements

PIP LIFT SERVICE LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED

31ST DECEMBER 1994

1. ACCOUNTING POLICIES

(a) BASIS OF ACCOUNTING

The accounts have been prepared under the historical cost convention.

(b) CASH FLOW

The accounts do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 'Cash flow Statements'

(c) TURNOVER

Turnover represents net invoiced sales of goods and services, excluding VAT.

(d) TANGIBLE FIXED ASSETS

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Computer Equipment	25% on reducing balance
Motor vehicles	25% " "
Office Equipment	25% " "

(e) STOCKS

Stocks and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

(f) DEFERRED TAXATION

Provision is made at current rate for taxation deferred in respect of all material timing differences except to the extent that in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future

PIP LIFT SERVICE LIMITED
NOTES TO THE ACCOUNTS - 31ST DECEMBER 1994 (Cont.)

(g) LEASED ASSETS

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profit as incurred.

Assets held under finance leases and hire purchase contracts are capitalised and depreciated over their useful lives. The corresponding lease or hire purchase obligation is treated in the balance sheet as a liability. The interest element of rental obligations is charged to profit and loss account over the period of the lease at a constant proportion of the outstanding balance of capital repayments.

2. TURNOVER

Turnover and profit before taxation are attributable to the principal activity of the company.

3. OPERATING PROFIT

The operating profit (1993: loss) is stated after charging:

	<u>1994</u>	<u>1993</u>
	£	£
Depreciation of tangible fixed asset	6,043	1,112
Operating lease charge	5,590	-
Auditors remuneration	300	300
	<hr/>	<hr/>
Directors' emoluments-	25,875	30,533
For services as directors	<hr/>	<hr/>
	25,875	30,533
	<hr/> <hr/>	<hr/> <hr/>
4. INTEREST PAYABLE		
Debenture Interest	2,350	2,519
H.P. Interest	171	-
	<hr/>	<hr/>
	£2,521	£2,519
	<hr/> <hr/>	<hr/> <hr/>

5. TAXATION

The UK corporation tax charge on the profit on ordinary activities based on the adjusted profit of the year @ 25%

£ 788	£ NIL
<hr/> <hr/>	<hr/> <hr/>

PIP LIFT SERVICE LIMITED
NOTES TO THE ACCOUNTS - 31ST DECEMBER 1994 (Cont.)

6. DIVIDENDS

Dividend on ordinary shares - proposed	£ NIL	£ NIL
	<u>=====</u>	<u>=====</u>

7. TANGIBLE FIXED ASSETS

	<u>Motor Vehicles</u>	<u>Computer Equipment</u>	<u>Office Equipment</u>	<u>Total</u>
	£	£	£	£
<u>Cost or valuation</u>				
At 1 Jan. 1994	16,376	978	865	18,219
Additions	8,363			8,363
Disposals	(1,601)	-	-	(1,601)
At 31st Dec. 1994	<u>23,138</u>	<u>978</u>	<u>865</u>	<u>24,981</u>
<u>Depreciation</u>				
At 1 Jan. 1994	822	183	107	1,112
on disposals	(300)	-	-	(300)
charge for year	5,654	199	190	6,043
	<u>6,176</u>	<u>382</u>	<u>297</u>	<u>6,855</u>
<u>Net book values</u>				
At 31st Dec. 1994	<u>£16,962</u>	<u>£596</u>	<u>£568</u>	<u>£18,126</u>
At 31 Dec. 1993	<u>£15,554</u>	<u>£ 795</u>	<u>£ 758</u>	<u>£17,107</u>

The net book value of motor vehicles includes £6,273 (1993 - nil) in respect of assets held under finance leases. The amount of depreciation in respect of such assets amounted to £2,090 for the year (1993 - nil)

PIP LIFT SERVICE LIMITED
NOTES TO THE ACCOUNTS - 31 ST DEC 1994 (Cont.)

8. DEBTORS

	<u>1994</u>	<u>1993</u>
Trade debtors	34,769	13,475
Other debtors	-	90
Prepayments	1,481	-
	<u>36,250</u>	<u>13,565</u>
	=====	=====

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>1994</u>	<u>1993</u>
Obligations under finance leases	2,038	-
Inter- Company Payable - PIP Electrics Ltd	<u>8,125</u>	<u>9,940</u>
Debt due within one year	10,163	9,940
Trade Creditors	42,399	11,608
Other Creditors	1,434	1,450
Taxation and Social Security	7,225	6,338
Corporation Tax	788	-
	<u>£62,009</u>	<u>£29,336</u>
	=====	=====

10. CREDITORS:

AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	<u>1994</u>	<u>1993</u>
Obligations under finance leases	5,126	-
Debentures - PIP Electrics Ltd	<u>30,000</u>	<u>30,000</u>
Debt due after more than one year	35,126	30,000
Other Creditors	-	-
	<u>£35,126</u>	<u>£30,000</u>
	=====	=====
Debt due after more than one year		
- repayable between 1-2 years	32,038	30,000
- repayable between 2-5 years	3,088	-
	<u>£35,126</u>	<u>£30,000</u>
	=====	=====

PIP LIFT SERVICE LIMITED
NOTES TO THE ACCOUNTS - 31ST DEC 1994 (Cont.)

11. CALLED UP SHARE CAPITAL.

	<u>1994</u>	<u>1993</u>
Authorised		
100 Ordinary shares of £1 each	£ 100	£ 100
	=====	=====
Allotted, called up & fully paid		
100 Ordinary shares of £1 each	£ 100	£ 100
	=====	=====

12. SHAREHOLDERS' FUNDS

(a) Analysis of shareholders' funds

Non-Equity	-	-
Equity	(8,654)	(14,509)
	=====	=====
Total Shareholders' funds	£(8,654)	£(14,509)

(b) Reconciliation of movements on shareholders' funds

	<u>1994</u>	<u>1993</u>
Profit/ (Loss) for the financial year after taxation	956	(14,609)
Dividends	-	-
	=====	=====
	956	(14,609)
New Share Capital Subscribed	-	100
Adjustment for losses surrendered to parent Co.	4,899	-
	=====	=====
	5,855	(14,509)
Opening shareholders' funds at 1 January 1994	(14,509)	-
	=====	=====
Closing shareholders' funds at 31 December 1994	£(8,654)	£(14,509)

13. CONTINGENT LIABILITY None

14. COMMITMENTS

CAPITAL COMMITMENTS

At 31st December 1994 capital expenditure commitments were none.

LEASE COMMITMENTS - OPERATING LEASES

At 31st Dec 1994, the company had annual commitments of £5,590 (1993 : Nil) under non - cancellable operating lease which expires within two to five years.

15. TRANSACTIONS WITH DIRECTORS - None

16. POST - BALANCE SHEET EVENTS - None

PIP LIFT SERVICE LIMITED
DETAILED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 1994

	£	1994 £	£	1993 £
TURNOVER				
Advance Maintenance Billing 1/1/94	6,864		-	
Sales	286,892		115,566	
Advance Maintenance Billing 31/12/94	<u>(15,657)</u>	278,099	<u>(6,894)</u>	108,702
COST OF SALES				
Stocks 1/1/94	4,924		-	
Purchases & Production Expenses	190,786		57,853	
Stocks 31/12/94	<u>(7,028)</u>	<u>(188,682)</u>	<u>(4,924)</u>	<u>(52,929)</u>
GROSS PROFIT		89,417		55,773
<u>Administrative Expenses</u>				
Salaries and Cost of Employment	44,998		44,226	
Rent & Charges	4,402		-	
Telephone	4,674		3,629	
Printing, Postage & Stationary	1,999		3,041	
Computer Services	-		500	
Advertising	811		3,907	
Insurance	1,359		-	
Bad Debts	-		55	
Travelling	1,190		1,424	
Motor Vehicle Expenses	10,669		8,412	
Staff Welfare	735		226	
Sundry Expenses	272		128	
Bank Charges and interest	576		436	
Professional Fee	669		-	
Hire of Motor Vehicle (operating lease)	5,590		-	
Audit and Accountancy Charges	935		850	
Discount Received	<u>(268)</u>	<u>(78,611)</u>	<u>(45)</u>	<u>(66,789)</u>
		10,806		(11,016)
Depreciation :				
Computer Equipment	199		183	
Motor Vehicle	5,654		822	
Office Equipment	<u>190</u>	<u>(6,043)</u>	<u>107</u>	<u>(1,112)</u>
		4,763		(12,128)
OPERATING PROFIT/(LOSS)				
Loss on disposal of fixed assets		(901)		
Other Income				
Interest Received		403		38
Finance Costs:				
Debenture Interest	2,350		2519	
H. P. Interest	171	(2,521)	-	(2,519)
PROFIT / (LOSS) on ordinary activities before taxation		<u>£ 1,744</u>		<u>£(14,609)</u>

This page does not form part of the statutory financial statements.