

Company Registration No. 07779086 (England and Wales)

CONCEPT ELEVATORS (UK) LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019
PAGES FOR FILING WITH REGISTRAR

CONCEPT ELEVATORS (UK) LIMITED

CONTENTS

	Page
Balance sheet	1 - 2
Statement of changes in equity	3
Notes to the financial statements	4 - 13

CONCEPT ELEVATORS (UK) LIMITED

BALANCE SHEET

AS AT 31 MARCH 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Intangible assets	3		844,200		984,900
Tangible assets	4		334,122		232,816
			<u>1,178,322</u>		<u>1,217,716</u>
Current assets					
Stocks		243,227		274,847	
Debtors	5	1,289,340		1,289,587	
Cash at bank and in hand		286,500		134,715	
		<u>1,819,067</u>		<u>1,699,149</u>	
Creditors: amounts falling due within one year	6	(1,676,667)		(1,687,598)	
Net current assets			<u>142,400</u>		<u>11,551</u>
Total assets less current liabilities			<u>1,320,722</u>		<u>1,229,267</u>
Creditors: amounts falling due after more than one year	7		(793,323)		(812,021)
Provisions for liabilities	10		(33,918)		(13,953)
Net assets			<u><u>493,481</u></u>		<u><u>403,293</u></u>
Capital and reserves					
Called up share capital	12		100		100
Profit and loss reserves			493,381		403,193
Total equity			<u><u>493,481</u></u>		<u><u>403,293</u></u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 March 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

CONCEPT ELEVATORS (UK) LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2019

The financial statements were approved by the board of directors and authorised for issue on 19 June 2019 and are signed on its behalf by:

Mr M Bodley
Director

Company Registration No. 07779086

CONCEPT ELEVATORS (UK) LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2019

	Share capital	Profit and loss reserves	Total
Notes	£	£	£
Balance at 1 April 2017	100	382,504	382,604
Year ended 31 March 2018:			
Profit and total comprehensive income for the year	-	300,339	300,339
Dividends	-	(279,650)	(279,650)
Balance at 31 March 2018	100	403,193	403,293
Year ended 31 March 2019:			
Profit and total comprehensive income for the year	-	395,038	395,038
Dividends	-	(304,850)	(304,850)
Balance at 31 March 2019	100	493,381	493,481

CONCEPT ELEVATORS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

Company information

Concept Elevators (UK) Limited is a private company limited by shares incorporated in England and Wales. The registered office is Concept House, Norton Canes Business Park, Jerome Road, Cannock, Staffordshire, WS11 9UE.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

1.3 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 10 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

CONCEPT ELEVATORS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings Freehold	Straight line over 50 years
Plant and machinery	15% per annum reducing balance
Fixtures, fittings & equipment	15% per annum reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.7 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

CONCEPT ELEVATORS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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 payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts 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 creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs.

Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

CONCEPT ELEVATORS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

CONCEPT ELEVATORS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

1.15 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Government grants relating to turnover are recognised as income over the periods when the related costs are incurred. Grants relating to an asset are recognised in income systematically over the asset's expected useful life. If part of such a grant is deferred it is recognised as deferred income rather than being deducted from the asset's carrying amount.

1.16 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 78 (2018 - 73).

3 Intangible fixed assets

	Goodwill £
Cost	
At 1 April 2018 and 31 March 2019	1,407,000
Amortisation and impairment	
At 1 April 2018	422,100
Amortisation charged for the year	140,700
At 31 March 2019	562,800
Carrying amount	
At 31 March 2019	844,200
At 31 March 2018	984,900

CONCEPT ELEVATORS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

4 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 April 2018	168,026	122,939	290,965
Additions	-	120,390	120,390
At 31 March 2019	168,026	243,329	411,355
Depreciation and impairment			
At 1 April 2018	10,923	47,226	58,149
Depreciation charged in the year	3,361	15,723	19,084
At 31 March 2019	14,284	62,949	77,233
Carrying amount			
At 31 March 2019	153,742	180,380	334,122
At 31 March 2018	157,103	75,713	232,816

5 Debtors

	2019 £	2018 £
Amounts falling due within one year:		
Trade debtors	1,205,409	1,238,147
Other debtors	32	-
Prepayments and accrued income	83,899	51,440
	1,289,340	1,289,587

6 Creditors: amounts falling due within one year

	2019 £	2018 £
Bank loans and overdrafts	8 673,541	692,595
Obligations under finance leases	9 -	1,824
Trade creditors	461,928	491,296
Corporation tax	106,581	106,625
Other taxation and social security	325,694	286,559
Other creditors	27,725	25,574
Accruals and deferred income	81,198	83,125
	1,676,667	1,687,598

CONCEPT ELEVATORS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

7 Creditors: amounts falling due after more than one year

	Notes	2019 £	2018 £
Bank loans and overdrafts	8	81,363	88,288
Other borrowings	8	606,576	632,530
Government grants	11	30,195	30,855
Other creditors		75,189	60,348
		<u>793,323</u>	<u>812,021</u>

Amounts included above which fall due after five years are as follows:

Payable by instalments	52,946	60,275
	<u>52,946</u>	<u>60,275</u>

8 Loans and overdrafts

	2019 £	2018 £
Bank loans	754,904	780,883
Loans from group undertakings and related parties	606,576	632,530
	<u>1,361,480</u>	<u>1,413,413</u>
Payable within one year	673,541	692,595
Payable after one year	687,939	720,818
	<u>673,541</u>	<u>720,818</u>

Included in short term bank loans are advances from factors totalling £666,629 (2018 - £685,939) which are secured by a fixed and floating charge over the assets of the company.

In addition, a bank loan totalling £88,275 (2018 - £94,944) is secured by a fixed and floating charge over the assets of the company.

The bank loan is repayable by monthly instalments over 15 year from November 2014 and interest is payable at 2.8% above the bank base rate.

9 Finance lease obligations

	2019 £	2018 £
Future minimum lease payments due under finance leases:		
Within one year	-	2,214
Less: future finance charges	-	(390)
	<u>-</u>	<u>1,824</u>

CONCEPT ELEVATORS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

9 Finance lease obligations

(Continued)

Finance lease payments represent rentals payable by the company for certain items of fixtures, fittings and equipment. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 3 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

10 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2019 £	Liabilities 2018 £
Balances:		
Accelerated capital allowances	33,918	13,953
	<u>33,918</u>	<u>13,953</u>
Movements in the year:		2019 £
Liability at 1 April 2018		13,953
Charge to profit or loss		19,965
		<u>33,918</u>
Liability at 31 March 2019		<u>33,918</u>

The deferred tax liability set out above is expected to reverse within future periods (£2,655 in the next financial year) and relates to accelerated capital allowances that are expected to mature.

11 Government grants

	2019 £	2018 £
Arising from government grants	30,195	30,855
	<u>30,195</u>	<u>30,855</u>
Movements in year:		£
As at 1 April 2018		30,855
Credit to profit and loss		(660)
		<u>30,195</u>
As at 31 March 2019		<u>30,195</u>

CONCEPT ELEVATORS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

12 Called up share capital

	2019 £	2018 £
Ordinary share capital		
Issued and fully paid		
0 Ordinary of £1 each	100	100
	<u>100</u>	<u>100</u>

13 Operating lease commitments

Lessee

Operating lease payments represent rentals payable by the company for vehicles and office equipment. Leases are negotiated for an average term of 3 years and rentals are fixed for an average of 3 years.

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2019 £	2018 £
	418,948	396,775
	<u>418,948</u>	<u>396,775</u>

14 Related party transactions

Remuneration of key management personnel

	2019 £	2018 £
Aggregate compensation	229,872	224,545
	<u>229,872</u>	<u>224,545</u>

Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Interest paid		Rental paid	
	2019 £	2018 £	2019 £	2018 £
Entities with control, joint control or significant influence over the company	20,062	29,135	78,000	78,000
	<u>20,062</u>	<u>29,135</u>	<u>78,000</u>	<u>78,000</u>

The following amounts were outstanding at the reporting end date:

	2019 £	2018 £
Amounts due to related parties		
Entities with control, joint control or significant influence over the company	606,576	632,530
	<u>606,576</u>	<u>632,530</u>

CONCEPT ELEVATORS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

14 Related party transactions

(Continued)

Interest is charged at 4% per annum, calculated monthly.

15 Parent company

The ultimate parent company is Concept Elevators (Holdings) Limited, which owns 100% of the issued share capital.

The ultimate controlling party is Mr B Willats, who owns 100% of the issued voting shares of the parent company Concept Elevators (Holdings) Limited.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.