

ACCORD LIFT SERVICES LTD

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2011

TUESDAY



A18 *A1BFLQUW* #344
19/06/2012
COMPANIES HOUSE

ACCORD LIFT SERVICES LTD

COMPANY INFORMATION

DIRECTORS

N Bennett
L Raftery
P Hess
A Harper (appointed 8 June 2011)
I Pratt (resigned 8 June 2011)

COMPANY NUMBER

02562821

REGISTERED OFFICE

West Yoke
Michaels Lane, Ash
Sevenoaks
Kent
TN15 7EP

AUDITORS

Crowe Clark Whitehill LLP
Jaeger House
5 Clanricarde Gardens
Tunbridge Wells
Kent
TN1 1PE

ACCORD LIFT SERVICES LTD

CONTENTS

	Page
Directors' report	1 - 3
Independent auditors' report	4 - 5
Profit and loss account	6
Balance sheet	7
Cash flow statement	8
Notes to the financial statements	9 - 19

ACCORD LIFT SERVICES LTD

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2011

The directors present their report and the financial statements for the year ended 31 December 2011

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

PRINCIPAL ACTIVITIES

The principal activities of the company in the year under review continued to be those of lift maintenance and refurbishment.

BUSINESS REVIEW

Turnover during 2011 increased by 43% aided by modernisation work on two London Underground stations. Projects at Earls Court and Bank stations contributed to 23% of company turnover during the year. Generally, new lift and refurbishment work increased by 15% over the previous year with strong sales generated in the Midlands region. Minor repairs business saw a small increase with some profitable work generated from London Underground.

In July 2011 the company won the largest order in its history when a 7 year contract was signed with Tubelines to maintain and refurbish 98 London Underground stations. In recent years the company has developed technical expertise in managing and maintaining lifts within the London Underground transport system. Good performance on several smaller projects led to the Company winning the new contract for refurbishment and maintenance services across the underground network. Additional windfall business related to the Olympic Games is expected during the summer of 2012.

At the start of 2011 the Company's order book remained strong. Although enquiry levels remained high through the year, the levels of new orders slowed in quarters 3 & 4. New business in the south and south east of the country remained strong but tougher economic conditions in the North and Midlands resulted in a sharp decline in activity. As a result a number of structural changes were made within the business which resulted in the closure of the Midlands office in October.

ACCORD LIFT SERVICES LTD

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2011

The reduction in capital building projects and increased competition in lift servicing continued to dominate our markets. The Company decided not to retender some low margin contracts in the service sector. This resulted in a smaller but more profitable maintenance portfolio.

A re-structure of the business led to a lower operating costs including a reduction in headcount as a number of employees were transferred under TUPE legislation. The cost of the structural changes was in excess of £300,000. However, in October 2011 twenty five staff joined the Company for the new Tubelines contract.

The outlook for next year is cautiously positive. The Tubelines contract will make a significant contribution to the transport division and provide a financial bedrock to the business. We anticipate that the lift maintenance market will continue to be largely price driven but we forecast improving yields in minor repairs and new lift sectors to continue throughout 2012. Imported component costs will remain low as a result of a weak Euro.

Structural and strategic changes undertaken in 2011 and those planned for 2012 will allow the company to benefit from group synergies and to focus on the more profitable sectors of our markets.

FINANCIALS

Loss on ordinary activities before tax was £761,041 (2010 Loss £1,384,638) being Gross Profit less administrative expenses and before interest receivable and interest payable.

Turnover increased by 45% on 2010 but this was achieved at the expense of a fall in gross margins by 2.5%.

Re-organisation costs, related to the reduction in staff numbers and closure of Midlands branch closure were £345k (2010 - £0k).

Underlying overheads, which exclude management charges and re-organisation costs decreased by £393k (12%) on 2010.

RISKS AND UNCERTAINTIES

A number of risks arise in the ordinary course of business activities and these are reviewed thoroughly and regularly by the board. This review considers only the principle risks and uncertainties.

Customer Risk - The Company trades with a number of large clients, the largest of which is Tubelines Ltd representing 30% of company business. The directors are aware of the risk of losing such a large client. However, in light of the 7 year contract which commenced in October 2011 and the current performance in meeting key performance targets, the directors do not consider this risk to be significantly high at this time.

Supplier Risk - The Company uses a number of suppliers both nationally and internationally for key parts and equipment. Currently key components are supplied from Spanish and Greek companies. However, there are several sources of supply available for these components within the United Kingdom.

Liquidity Risk - The Company reviews credit facilities from its banker on a regular basis. Throughout 2011 the Company continued to receive significant cash support from the parent company and this is expected to continue until the Company becomes fully cash sufficient.

Going Concern - The directors have a reasonable expectation that the company has adequate resources and financial support from its parent company to continue operational existence for the foreseeable future.

ACCORD LIFT SERVICES LTD

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2011**

RESULTS AND DIVIDENDS

The loss for the year, after taxation, amounted to £256,319 (2010 - loss £1,364,792)

No dividends were paid during the year

DIRECTORS

The directors who served during the year were

N Bennett
L Raftery
P Hess
A Harper (appointed 8 June 2011)
I Pratt (resigned 8 June 2011)

PROVISION OF INFORMATION TO AUDITORS

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information

This report was approved by the board and signed on its behalf



N Bennett
Director

Date 31/5/12

ACCORD LIFT SERVICES LTD

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ACCORD LIFT SERVICES LTD

We have audited the financial statements of Accord Lift Services Ltd for the year ended 31 December 2011, set out on pages 6 to 19. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's shareholders, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2011 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

ACCORD LIFT SERVICES LTD

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ACCORD LIFT SERVICES LTD

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

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

Crowe Crowe Whitehill LLP

Mark Anderson (Senior statutory auditor)

for and on behalf of

Crowe Clark Whitehill LLP

Statutory Auditor

Jaeger House
5 Clanricarde Gardens
Tunbridge Wells
Kent

TN1 1PE

Date *12 June 2012*

ACCORD LIFT SERVICES LTD

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2011**

	Note	2011 £	2010 £
TURNOVER	1,2	12,776,957	8,787,268
Cost of sales		<u>(10,080,594)</u>	<u>(6,714,998)</u>
GROSS PROFIT		2,696,363	2,072,270
Distribution costs		(36,322)	(31,126)
Administrative expenses		<u>(3,421,082)</u>	<u>(3,425,782)</u>
OPERATING LOSS	3	(761,041)	(1,384,638)
Interest receivable and similar income		97	1,082
Interest payable and similar charges	6	<u>(657)</u>	<u>(1,333)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(761,601)	(1,384,889)
Tax on loss on ordinary activities	7	<u>505,282</u>	<u>20,097</u>
LOSS FOR THE FINANCIAL YEAR	15	<u>(256,319)</u>	<u>(1,364,792)</u>

All amounts relate to continuing operations

There were no recognised gains and losses for 2011 or 2010 other than those included in the profit and loss account

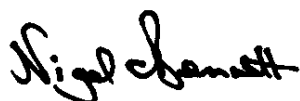
The notes on pages 9 to 19 form part of these financial statements

ACCORD LIFT SERVICES LTD
REGISTERED NUMBER: 02562821

BALANCE SHEET
AS AT 31 DECEMBER 2011

	Note	£	2011 £	£	2010 £
FIXED ASSETS					
Tangible assets	8		81,657		143,894
CURRENT ASSETS					
Stocks	9	112,600		209,841	
Debtors	10	3,758,421		2,052,229	
Cash at bank and in hand		342,609		141,458	
		<u>4,213,630</u>		<u>2,403,528</u>	
CREDITORS amounts falling due within one year	11	(3,179,291)		(2,218,370)	
NET CURRENT ASSETS			<u>1,034,339</u>		<u>185,158</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,115,996</u>		<u>329,052</u>
CREDITORS amounts falling due after more than one year	12		(1,053,087)		(9,824)
NET ASSETS			<u><u>62,909</u></u>		<u><u>319,228</u></u>
CAPITAL AND RESERVES					
Called up share capital	14		1,000,100		1,000,100
Profit and loss account	15		(937,191)		(680,872)
SHAREHOLDERS' FUNDS	16		<u><u>62,909</u></u>		<u><u>319,228</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by



N Bennett
Director

Date 31/5/12

The notes on pages 9 to 19 form part of these financial statements

ACCORD LIFT SERVICES LTD

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2011**

	Note	2011 £	2010 £
Net cash flow from operating activities	17	206,592	(3,276)
Returns on investments and servicing of finance	18	(560)	(251)
Taxation		-	13,522
Capital expenditure and financial investment	18	6,000	(32,246)
CASH INFLOW/(OUTFLOW) BEFORE FINANCING		212,032	(22,251)
Financing	18	(10,881)	(6,860)
INCREASE/(DECREASE) IN CASH IN THE YEAR		201,151	(29,111)

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT
FOR THE YEAR ENDED 31 DECEMBER 2011**

	2011 £	2010 £
Increase/(Decrease) in cash in the year	201,151	(29,111)
Cash outflow from decrease in debt and lease financing	10,881	6,860
MOVEMENT IN NET DEBT IN THE YEAR	212,032	(22,251)
Net funds at 1 January 2011	124,527	146,778
NET FUNDS AT 31 DECEMBER 2011	336,559	124,527

The notes on pages 9 to 19 form part of these financial statements

ACCORD LIFT SERVICES LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

The financial statements have been prepared under the going concern basis due to the reasons set out in the directors' report

1.2 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts

1.3 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 of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

Motor vehicles	-	20% straight line
Fixtures, fittings and equipment	-	25% straight line

1.4 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. 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.

1.5 Operating leases

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.6 Stocks and work in progress

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 stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

ACCORD LIFT SERVICES LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

1. ACCOUNTING POLICIES (continued)

1.7 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse

Deferred tax assets and liabilities are not discounted

1.8 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction

Exchange gains and losses are recognised in the profit and loss account

1.9 Long-term contracts

Profit on long-term contracts is taken as the work is carried out if the final outcome can be assessed with reasonable certainty. The profit included is calculated on a prudent basis to reflect the proportion of the work carried out at the year end, by recording turnover and related costs as contract activity progresses. Turnover is calculated as that proportion of total contract value which costs incurred to date bear to total expected costs for that contract. Revenues derived from variations on contracts are recognised only when they have been accepted by the customer. Full provision is made for losses on all contracts in the year in which they are first foreseen.

1.10 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

2. TURNOVER

Turnover represents the invoiced value of goods and services supplied by the Company, net of value added tax and trade discounts. Turnover is attributable to one continuing activity, that of lift maintenance and installation.

All turnover arose within the United Kingdom

ACCORD LIFT SERVICES LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

3. OPERATING LOSS

The operating loss is stated after charging/(crediting)

	2011 £	2010 £
Depreciation of tangible fixed assets		
- owned by the company	55,224	81,336
- held under finance leases	2,499	7,523
Auditors' remuneration	20,265	19,300
Operating lease rentals		
- other operating leases	114,679	132,580
Difference on foreign exchange	1,111	(44,207)
One-off refurbishment costs	-	160,230
	<u>114,679</u>	<u>160,230</u>

4 STAFF COSTS

Staff costs, including directors' remuneration, were as follows

	2011 £	2010 £
Wages and salaries	4,211,415	3,916,831
Social security costs	448,120	412,496
Other pension costs	44,821	26,926
	<u>4,704,356</u>	<u>4,356,253</u>

The average monthly number of employees, including the directors, during the year was as follows

	2011 No.	2010 No.
Administration	43	41
Operations	58	47
Sales and marketing	6	6
	<u>107</u>	<u>94</u>

ACCORD LIFT SERVICES LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

5. DIRECTORS' REMUNERATION

	2011 £	2010 £
Emoluments	<u>216,294</u>	<u>301,754</u>
Company pension contributions to defined contribution pension schemes	<u>7,210</u>	<u>7,825</u>

During the year retirement benefits were accruing to 1 director (2010 - 1) in respect of defined contribution pension schemes

The highest paid director received remuneration of £157,061 (2010 - £155,843)

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £7,210 (2010 - £NIL)

6. INTEREST PAYABLE

	2011 £	2010 £
On finance leases and hire purchase contracts	<u>657</u>	<u>1,333</u>

7 TAXATION

	2011 £	2010 £
Analysis of tax charge in the year		
Deferred tax		
Origination and reversal of timing differences	(183,623)	(20,097)
Effect of tax rate change on opening liability	41,529	-
Adjustment in respect of prior periods	(363,188)	-
Total deferred tax (see note 13)	<u>(505,282)</u>	<u>(20,097)</u>
Tax on loss on ordinary activities	<u>(505,282)</u>	<u>(20,097)</u>

ACCORD LIFT SERVICES LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

7 TAXATION (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2010 - lower than) the standard rate of corporation tax in the UK of 26.49% (2010 - 28%). The differences are explained below

	2011	2010
	£	£
Loss on ordinary activities before tax	(761,601)	(1,384,889)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 26.49% (2010 - 28%)	(201,748)	(387,769)
Effects of:		
Expenses not deductible for tax purposes	7,157	3,218
Depreciation on non qualifying assets	-	438
Depreciation in excess of capital allowances	3,924	20,193
Other short term timing differences	(3,604)	-
Unrelieved tax losses carried forward	194,271	363,920
Current tax charge for the year (see note above)	-	-

8. TANGIBLE FIXED ASSETS

	Motor vehicles £	Fixtures & fittings £	Total £
Cost			
At 1 January 2011	46,227	354,693	400,920
Disposals	(24,620)	-	(24,620)
At 31 December 2011	21,607	354,693	376,300
Depreciation			
At 1 January 2011	28,309	228,717	257,026
Charge for the year	7,354	50,369	57,723
On disposals	(20,106)	-	(20,106)
At 31 December 2011	15,557	279,086	294,643
Net book value			
At 31 December 2011	6,050	75,607	81,657
At 31 December 2010	17,918	125,976	143,894

ACCORD LIFT SERVICES LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

8 TANGIBLE FIXED ASSETS (continued)

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows

	2011 £	2010 £
Motor vehicles	<u>6,149</u>	<u>16,034</u>

9. STOCKS

	2011 £	2010 £
Raw materials	70,153	76,026
Work in progress	42,447	133,815
	<u>112,600</u>	<u>209,841</u>

10. DEBTORS

	2011 £	2010 £
Trade debtors	965,713	1,547,304
Other debtors	70,235	33,001
Prepayments and accrued income	19,136	41,381
Amounts recoverable on long term contracts	2,173,642	406,130
Deferred tax asset (see note 13)	529,695	24,413
	<u>3,758,421</u>	<u>2,052,229</u>

ACCORD LIFT SERVICES LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

11. CREDITORS

Amounts falling due within one year

	2011	2010
	£	£
Payments received on account	208,950	292,006
Net obligations under finance leases and hire purchase contracts	2,963	7,107
Trade creditors	1,577,220	1,010,416
Amounts owed to group undertakings	353,516	78,648
Social security and other taxes	247,298	170,168
Other creditors	40,746	111,678
Accruals and deferred income	748,598	548,347
	<u>3,179,291</u>	<u>2,218,370</u>

There is a floating charge held by the bank over the trade debtors in the form of a debenture

12 CREDITORS:

Amounts falling due after more than one year

	2011	2010
	£	£
Net obligations under finance leases and hire purchase contracts	3,087	9,824
Amounts owed to group undertakings	1,050,000	-
	<u>1,053,087</u>	<u>9,824</u>

Obligations under finance leases and hire purchase contracts, included above, are payable as follows

	2011	2010
	£	£
Between one and five years	<u>3,087</u>	<u>9,824</u>

Amounts held under finance leases and hire purchase contracts are secured upon the underlying assets

13. DEFERRED TAX ASSET

	2011	2010
	£	£
At beginning of year	24,413	4,316
Released during year	505,282	20,097
	<u>529,695</u>	<u>24,413</u>

ACCORD LIFT SERVICES LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

13. DEFERRED TAX ASSET (continued)

The deferred tax asset is made up as follows

	2011 £	2010 £
Accelerated capital allowances	16,092	20,522
Short term timing differences	372	3,891
Tax losses carried forward and other deductions	513,231	-
	<u>529,695</u>	<u>24,413</u>

14. SHARE CAPITAL

	2011 £	2010 £
Allotted, called up and fully paid		
10,001,000 Ordinary shares of £0.10 each	<u>1,000,100</u>	<u>1,000,100</u>

15. RESERVES

	Profit and loss account £
At 1 January 2011	(680,872)
Loss for the year	(256,319)
	<u>(937,191)</u>
At 31 December 2011	

16. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2011 £	2010 £
Opening shareholders' funds	319,228	684,020
Loss for the year	(256,319)	(1,364,792)
Shares issued during the year	-	1,000,000
	<u>62,909</u>	<u>319,228</u>
Closing shareholders' funds		

ACCORD LIFT SERVICES LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

17. NET CASH FLOW FROM OPERATING ACTIVITIES

	2011 £	2010 £
Operating loss	(761,041)	(1,384,638)
Depreciation of tangible fixed assets	57,723	88,859
Profit on disposal of tangible fixed assets	(1,486)	(2,438)
Decrease/(increase) in stocks	97,241	(29,068)
(Increase)/decrease in debtors	(1,200,909)	1,343,516
Increase/(decrease) in creditors	2,015,064	(19,507)
Net cash inflow/(outflow) from operating activities	206,592	(3,276)

18. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2011 £	2010 £
Returns on investments and servicing of finance		
Interest received	97	1,082
Hire purchase interest	(657)	(1,333)
Net cash outflow from returns on investments and servicing of finance	(560)	(251)
	2011 £	2010 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	-	(34,684)
Sale of tangible fixed assets	6,000	2,438
Net cash inflow/(outflow) from capital expenditure	6,000	(32,246)
	2011 £	2010 £
Financing		
Repayment of finance leases	(10,881)	(6,860)

ACCORD LIFT SERVICES LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

19. ANALYSIS OF CHANGES IN NET DEBT

	1 January 2011 £	Cash flow £	Other non-cash changes £	31 December 2011 £
Cash at bank and in hand	141,458	201,151	-	342,609
Debt				
Debts due within one year	(7,107)	10,881	(6,737)	(2,963)
Debts falling due after more than one year	(9,824)	-	6,737	(3,087)
Net funds	124,527	212,032	-	336,559

20. PENSION COMMITMENTS

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £44,821 (2010 - £29,926). Contributions totalling £3,694 (2010 - £3,783) were payable to the fund at the balance sheet date and are included in other creditors.

21. OPERATING LEASE COMMITMENTS

At 31 December 2011 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2011 £	2010 £
Expiry date		
Within 1 year	-	20,300
Between 2 and 5 years	47,756	47,756

22. RELATED PARTY TRANSACTIONS

Gabby Consultancy Ltd received £71,280 (2010 - £162,789) in the year to 31 December 2011 in respect of management and consultancy fees charged on behalf of N Bennett, director. N Bennett holds 100% of the issued share capital of Gabby Consultancy Ltd.

As at 31 December 2011 the Company owed Schindler Informatik AG £nil (2010 - £35,162). During the year the Company purchased goods totaling £nil (2010 - £35,162) from Schindler Informatik AG.

As at 31 December 2011 the Company owed Schindler Ltd £1,403,516 (2010 - £43,486). During the year the Company were recharged invoices totaling £76,542 (2010 - £63,526) from Schindler Ltd. The company also paid management charges totaling £227,389 (2010 - £nil) to Schindler Ltd.

ACCORD LIFT SERVICES LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

23. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

Accord Lift Services Limited is a direct subsidiary of Schindler Ltd registration number 00662746 which is registered in England and holds 100% of the ordinary share capital

The ultimate holding company is Schindler Holding AG, incorporated in Switzerland