

COMPANY REGISTRATION NUMBER: 3548429

**ILE HOLDINGS LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 SEPTEMBER 2017**



ILE HOLDINGS LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2017

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ILE HOLDINGS LIMITED
OFFICERS AND PROFESSIONAL ADVISERS

The board of directors	Mrs J L Lycett Mr P D Lycett Mr S P Lycett Miss N J Lycett
Company secretary	Mrs J L Lycett
Registered office	Lynton House 7-12 Tavistock Square London WC1H 9BQ
Auditor	BSG Valentine (UK) LLP Chartered Accountants & Statutory Auditor Lynton House 7 - 12 Tavistock Square London WC1H 9BQ
Bankers	Lloyds Hoe Street Walthamstow London E17 7RS

ILE HOLDINGS LIMITED
STRATEGIC REPORT
YEAR ENDED 30 SEPTEMBER 2017

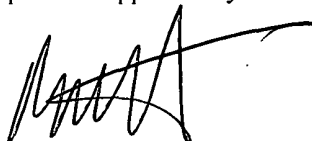
The key financial highlights are as follows:

	2017	2016
Turnover	£13.2m	£13.2m
Turnover variance	+0%	+12%
Gross profit margin	20%	21%
Operating profit/(loss)	£84k	£206k

The directors are satisfied with the performance for the year.

As a small independent manufacturer and supplier of lift related equipment the group is vulnerable to competition and pressure from larger companies. It also has to continue to invest in Research and Development which does not always lead to a successful and profitable product. The group also buys goods from overseas and so adverse exchange movements can affect the competitiveness of the products it sells.

This report was approved by the board of directors on 22.6.18 and signed on behalf of the board by:



Miss N J Lycett
Director

Registered office:
Lynton House
7-12 Tavistock Square
London
WC1H 9BQ

ILE HOLDINGS LIMITED
DIRECTORS' REPORT
YEAR ENDED 30 SEPTEMBER 2017

The directors present their report and the financial statements of the group for the year ended 30 September 2017.

Directors

The directors who served the company during the year were as follows:

Mrs J L Lycett
Mr P D Lycett
Mr S P Lycett
Miss N J Lycett

Dividends

The directors do not recommend the payment of a dividend.

Future developments

The company will continue in its role as a holding company.

The group will continue in its principal activity.

ILE HOLDINGS LIMITED
DIRECTORS' REPORT *(continued)*
YEAR ENDED 30 SEPTEMBER 2017

Financial instruments

The group holds or issues financial instruments in order to achieve three main objectives, being:

- (a) to finance its operations;
- (b) to manage its exposure to interest and currency risks arising from its operations and from its sources of finance; and
- (c) for trading purposes.

In addition, various financial instruments (e.g. trade debtors and trade creditors) arise directly from the group's operations.

Transactions in financial instruments result in the group assuming or transferring to another party one or more of the financial risks described below.

Credit risk

The group monitors credit risk closely and considers that its current policies of credit checks meets its objectives of managing exposure to credit risk.

The group has no significant concentrations of credit risk. Amounts shown in the balance sheet best represent the maximum credit risk exposure in the event other parties fail to perform their obligations under financial instruments.

Liquidity risk

The group seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and invest in assets profitability. Short-term flexibility is achieved by the utilisation of an invoice discounting facility.

Currency risk

The group has no specific strategy to mitigate currency risk. Exchange rates and their impact on prices, are continually monitored, this is considered sufficient to manage currency risk as far as possible.

Interest risk

The group is exposed to interest rate fluctuations on its variable rate borrowings. The group monitors interest rates does not consider probable interest rate movements to be a significant risk to the business.

See accounting policies for further details regarding to financial instruments.

Research and development

Research and development expenditure consists of salaries for staff who are researching new projects. This is written off in the year in which it is incurred.

Disclosure of information in the strategic report

In accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013, the company has chosen to set out the information required by schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 in its strategic report, which can be found on page 2.

Directors' responsibilities statement

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

ILE HOLDINGS LIMITED
DIRECTORS' REPORT *(continued)*
YEAR ENDED 30 SEPTEMBER 2017

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 group and the company and the profit or loss of the group 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 accounting 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.

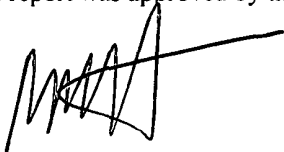
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies 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.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the group and the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the group and the company's auditor is aware of that information.

This report was approved by the board of directors on22.6.18..... and signed on behalf of the board by:



Miss N J Lycett
Director

Registered office:
Lynton House
7-12 Tavistock Square
London
WC1H 9BQ

ILE HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ILE HOLDINGS LIMITED

YEAR ENDED 30 SEPTEMBER 2017

Opinion

We have audited the financial statements of ILE Holdings Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 September 2017 which comprise the consolidated statement of income and retained earnings, company statement of income and retained earnings, consolidated statement of financial position, company statement of financial position, consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 30 September 2017 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

ILE HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ILE HOLDINGS LIMITED *(continued)*

YEAR ENDED 30 SEPTEMBER 2017

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

Responsibilities of directors

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

ILE HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ILE HOLDINGS LIMITED *(continued)*

YEAR ENDED 30 SEPTEMBER 2017

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or the parent company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

ILE HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ILE HOLDINGS LIMITED *(continued)*

YEAR ENDED 30 SEPTEMBER 2017

Use of our report

This report is made solely to the company's members, 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 members those matters we are required to state to them in an auditor's 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.

BSG Valentine UK LLP

Daniel Burke (Senior Statutory Auditor)

For and on behalf of
BSG Valentine (UK) LLP
Chartered Accountants & Statutory Auditor
Lynton House
7 - 12 Tavistock Square
London
WC1H 9BQ

22.6.18

ILE HOLDINGS LIMITED
CONSOLIDATED STATEMENT OF INCOME AND RETAINED EARNINGS
YEAR ENDED 30 SEPTEMBER 2017

	Note	2017 £	2016 £
Turnover	4	13,186,750	13,208,854
Cost of sales		(10,615,924)	(10,452,897)
Gross profit		<u>2,570,826</u>	<u>2,755,957</u>
Administrative expenses		(2,486,881)	(2,549,798)
Operating profit	5	<u>83,945</u>	<u>206,159</u>
Other interest receivable and similar income	9	1,060	–
Interest payable and similar expenses	10	(149,820)	(124,855)
(Loss)/profit before taxation		<u>(64,815)</u>	<u>81,304</u>
Tax on (loss)/profit	11	(5,651)	–
(Loss)/profit for the financial year and total comprehensive income		<u>(70,466)</u>	<u>81,304</u>
Retained earnings at the start of the year		<u>3,532,227</u>	<u>3,450,923</u>
Retained earnings at the end of the year		<u>3,461,761</u>	<u>3,532,227</u>

All the activities of the group are from continuing operations.

The notes on pages 15 to 29 form part of these financial statements.

ILE HOLDINGS LIMITED
COMPANY STATEMENT OF INCOME AND RETAINED EARNINGS
YEAR ENDED 30 SEPTEMBER 2017

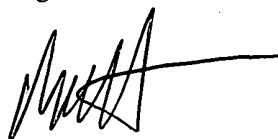
	Note	2017 £	2016 £
(Loss)/profit for the financial year and total comprehensive income		54,540	50,380
Retained earnings at the start of the year		<u>1,124,804</u>	<u>1,074,424</u>
Retained earnings at the end of the year		<u><u>1,179,344</u></u>	<u><u>1,124,804</u></u>

The notes on pages 15 to 29 form part of these financial statements.

ILE HOLDINGS LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
30 SEPTEMBER 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	12	3,505,141	3,637,607
Current assets			
Stocks	14	2,872,163	2,799,648
Debtors	15	3,583,987	3,401,621
Cash at bank and in hand		13,633	11,156
		<u>6,469,783</u>	<u>6,212,425</u>
Creditors: amounts falling due within one year	17	<u>(4,570,558)</u>	<u>(4,284,157)</u>
Net current assets		<u>1,899,225</u>	<u>1,928,268</u>
Total assets less current liabilities		<u>5,404,366</u>	<u>5,565,875</u>
Creditors: amounts falling due after more than one year	18	(1,825,987)	(1,933,648)
Provisions	20	<u>(16,618)</u>	<u>—</u>
Net assets		<u><u>3,561,761</u></u>	<u><u>3,632,227</u></u>
Capital and reserves			
Called up share capital	24	100,000	100,000
Profit and loss account	25	<u>3,461,761</u>	<u>3,532,227</u>
Shareholders funds		<u><u>3,561,761</u></u>	<u><u>3,632,227</u></u>

These financial statements were approved by the board of directors and authorised for issue on 22.6.18, and are signed on behalf of the board by:



Miss N J Lycett
Director

Company registration number: 3548429

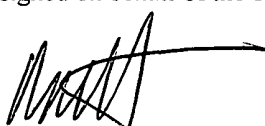
The notes on pages 15 to 29 form part of these financial statements.

ILE HOLDINGS LIMITED
COMPANY STATEMENT OF FINANCIAL POSITION
30 SEPTEMBER 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	12	3,030,000	3,030,000
Investments	13	100,000	100,000
		<u>3,130,000</u>	<u>3,130,000</u>
Current assets			
Debtors	15	3,200	3,093
Cash at bank and in hand		—	11,372
		<u>3,200</u>	<u>14,465</u>
Creditors: amounts falling due within one year	17	<u>(130,462)</u>	<u>(143,868)</u>
Net current liabilities		<u>(127,262)</u>	<u>(129,403)</u>
Total assets less current liabilities		<u>3,002,738</u>	<u>3,000,597</u>
Creditors: amounts falling due after more than one year	18	(1,638,033)	(1,690,432)
Provisions	20	<u>(85,361)</u>	<u>(85,361)</u>
Net assets		<u>1,279,344</u>	<u>1,224,804</u>
Capital and reserves			
Called up share capital	24	100,000	100,000
Profit and loss account	25	1,179,344	1,124,804
Shareholders funds		<u>1,279,344</u>	<u>1,224,804</u>

The profit for the financial year of the parent company was £54,540 (2016: £50,380).

These financial statements were approved by the board of directors and authorised for issue on 22.6.18, and are signed on behalf of the board by:



Miss N J Lycett
Director

Company registration number: 3548429

The notes on pages 15 to 29 form part of these financial statements.

ILE HOLDINGS LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED 30 SEPTEMBER 2017

	Note	2017 £	2016 £
Cash flows from operating activities			
(Loss)/profit for the financial year		(70,466)	81,304
<i>Adjustments for:</i>			
Depreciation of tangible assets		167,366	152,258
Other interest receivable and similar income		(1,060)	–
Interest payable and similar expenses		149,820	124,855
Loss on disposal of tangible assets		9,177	–
Tax on profit		5,651	–
<i>Changes in:</i>			
Stocks		(72,515)	(71,924)
Trade and other debtors		(182,366)	(672,391)
Trade and other creditors		(86,563)	449,639
Cash generated from operations		(80,956)	63,741
Interest paid		(149,820)	(124,855)
Interest received		1,060	–
Tax received		10,967	–
Net cash used in operating activities		<u>(218,749)</u>	<u>(61,114)</u>
Cash flows from investing activities			
Purchase of tangible assets		(49,277)	(46,107)
Proceeds from sale of tangible assets		5,200	–
Net cash used in investing activities		<u>(44,077)</u>	<u>(46,107)</u>
Cash flows from financing activities			
Proceeds from borrowings		1,259,924	(52,832)
Payments of finance lease liabilities		(47,017)	(117,323)
Net cash from/(used in) financing activities		<u>1,212,907</u>	<u>(170,155)</u>
Net increase/(decrease) in cash and cash equivalents		950,081	(277,376)
Cash and cash equivalents at beginning of year		<u>(1,239,552)</u>	<u>(962,176)</u>
Cash and cash equivalents at end of year	16	<u>(289,471)</u>	<u>(1,239,552)</u>

The notes on pages 15 to 29 form part of these financial statements.

ILE HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2017

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Lynton House, 7-12 Tavistock Square, London, WC1H 9BQ.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Disclosure exemptions

The parent company satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following reduced disclosures available under FRS 102:

- (a) Disclosures in respect of each class of share capital have not been presented.
- (b) No cash flow statement has been presented for the company.
- (c) Disclosures in respect of financial instruments have not been presented.
- (d) No disclosure has been given for the aggregate remuneration of key management personnel.

Consolidation

The financial statements consolidate the financial statements of ILE Holdings Limited and all of its subsidiary undertakings.

The results of subsidiaries acquired or disposed of during the year are included from or to the date that control passes.

The parent company has applied the exemption contained in section 408 of the Companies Act 2006 and has not presented its individual profit and loss account.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant judgements

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

There are no significant judgements in the company.

ILE HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 30 SEPTEMBER 2017

3. Accounting policies *(continued)*

Judgements and key sources of estimation uncertainty *(continued)*

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

Depreciation - Based on the useful economic life of an asset.

Trade debt recovery - Based upon a line by line review of trade debtors considering anticipated recovery.

Work in progress - Valued at a percentage based on the stage of completion of product lines.

Accruals - Obligations at the year end are based upon the actual post year end cost, or the best estimate thereof.

Investment property - Fair value is based upon the estimated market value of the property.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied and services rendered, stated net of discounts and of Value Added Tax.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

ILE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 30 SEPTEMBER 2017

3. Accounting policies *(continued)*

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	-	1% straight line
Leasehold improvement	-	Over period of lease
Plant and machinery	-	20% reducing balance
Fixtures and fittings	-	15% reducing balance
Motor vehicles	-	20% straight line
Computer equipment	-	25% straight line

Investment property

Investment property is initially recorded at cost, which includes purchase price and any directly attributable expenditure.

Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised in profit or loss.

If a reliable measure of fair value is no longer available without undue cost or effort for an item of investment property, it shall be transferred to tangible assets and treated as such until it is expected that fair value will be reliably measurable on an on-going basis.

Investment property

Investment property is initially recorded at cost, which includes purchase price and any directly attributable expenditure.

Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised in profit or loss.

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

ILE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 30 SEPTEMBER 2017

3. Accounting policies *(continued)*

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

ILE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 30 SEPTEMBER 2017

3. Accounting policies *(continued)*

Provisions *(continued)*

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

ILE HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 30 SEPTEMBER 2017

3. Accounting policies *(continued)*

Defined contribution plans *(continued)*

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

Invoice financing

The trade debtors of the group were subject to an invoice finance arrangement with the group's bankers. The arrangement is with recourse, and as such presentation is on a separation of assets and liabilities basis whereby financed debts are presented as trade debtors, and amounts advanced on those debts are presented as creditors.

4. Turnover

Turnover arises from:

	2017	2016
	£	£
Sale of goods	13,186,750	13,208,854

The whole of the turnover is attributable to the principal activity of the group wholly undertaken in the United Kingdom.

5. Operating profit

Operating profit or loss is stated after charging/crediting:

	2017	2016
	£	£
Depreciation of tangible assets	167,366	152,258
Loss on disposal of tangible assets	9,177	—
Impairment of trade debtors	(16)	—

6. Auditor's remuneration

	2017	2016
	£	£
Fees payable for the audit of the financial statements	24,500	32,000

7. Staff costs

The average number of persons employed by the group during the year, including the directors, amounted to:

	2017	2016
	No.	No.
Production staff	114	113
Administrative staff	12	17
	126	130

ILE HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 30 SEPTEMBER 2017

7. Staff costs *(continued)*

The aggregate payroll costs incurred during the year, relating to the above, were:

	2017	2016
	£	£
Wages and salaries	3,885,769	4,054,517
Social security costs	386,901	402,144
Other pension costs	100,969	110,769
	<u>4,373,639</u>	<u>4,567,430</u>

8. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services was:

	2017	2016
	£	£
Remuneration	<u>577,713</u>	<u>550,866</u>

Remuneration of the highest paid director in respect of qualifying services:

	2017	2016
	£	£
Aggregate remuneration	<u>198,660</u>	<u>184,550</u>

9. Other interest receivable and similar income

	2017	2016
	£	£
Interest on cash and cash equivalents	<u>1,060</u>	<u>—</u>

10. Interest payable and similar expenses

	2017	2016
	£	£
Interest on banks loans and overdrafts	147,579	114,695
Interest on obligations under finance leases and hire purchase contracts	2,241	10,160
	<u>149,820</u>	<u>124,855</u>

11. Tax on profit

Major components of tax income

	2017	2016
	£	£
Current tax:		
UK current tax income	(10,967)	—
Deferred tax:		
Origination and reversal of timing differences	16,618	—
Tax on profit	<u>5,651</u>	<u>—</u>

ILE HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 30 SEPTEMBER 2017

11. Tax on profit *(continued)*

Reconciliation of tax expense

The tax assessed on the (loss)/profit on ordinary activities for the year is higher than (2016: lower than) the standard rate of corporation tax in the UK of 19% (2016: 20%).

	2017 £	2016 £
(Loss)/profit on ordinary activities before taxation	(64,815)	81,304
(Loss)/profit on ordinary activities by rate of tax	(12,314)	22,383
Effect of expenses not deductible for tax purposes	5,089	6,807
Effect of capital allowances and depreciation	17,586	3,328
Effect of different UK tax rates on some earnings	(101)	–
Research and development	(40,401)	(41,522)
Deferred tax	16,618	–
Research and development refund	(10,967)	–
Tax losses carried forward	30,141	9,004
Tax on profit	<u>5,651</u>	<u>–</u>

12. Tangible assets

Group	Freehold property £	Long leasehold property £	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
Cost						
At 1 Oct 2016	3,234,677	179,851	1,636,762	340,522	376,764	5,768,576
Additions	–	–	12,002	8,156	29,119	49,277
Disposals	–	–	–	–	(36,094)	(36,094)
At 30 Sep 2017	<u>3,234,677</u>	<u>179,851</u>	<u>1,648,764</u>	<u>348,678</u>	<u>369,789</u>	<u>5,781,759</u>
Depreciation						
At 1 Oct 2016	204,677	48,421	1,360,979	261,679	255,213	2,130,969
Charge for the year	–	7,134	72,282	31,024	56,926	167,366
Disposals	–	–	–	–	(21,717)	(21,717)
At 30 Sep 2017	<u>204,677</u>	<u>55,555</u>	<u>1,433,261</u>	<u>292,703</u>	<u>290,422</u>	<u>2,276,618</u>
Carrying amount						
At 30 Sep 2017	<u>3,030,000</u>	<u>124,296</u>	<u>215,503</u>	<u>55,975</u>	<u>79,367</u>	<u>3,505,141</u>
At 30 Sep 2016	<u>3,030,000</u>	<u>131,430</u>	<u>275,783</u>	<u>78,843</u>	<u>121,551</u>	<u>3,637,607</u>

ILE HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 30 SEPTEMBER 2017

12. Tangible assets *(continued)*

Company	Investment property £
Cost	
At 1 October 2016 and 30 September 2017	<u>3,030,000</u>
Depreciation	
At 1 October 2016 and 30 September 2017	<u>—</u>
Carrying amount	
At 30 September 2017	<u>3,030,000</u>
At 30 September 2016	<u>3,030,000</u>

The fair value of the investment property is based upon an assessment of market conditions by the directors.

Finance leases and hire purchase contracts

Included within the carrying value of tangible assets are the following amounts relating to assets held under finance leases or hire purchase agreements:

Group	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
At 30 September 2017	<u>7,000</u>	<u>18,273</u>	<u>16,136</u>	<u>41,409</u>
At 30 September 2016	<u>53,909</u>	<u>21,927</u>	<u>69,878</u>	<u>145,714</u>

The company has no tangible assets held under finance lease or hire purchase agreements.

13. Investments

Group	Other investments £
Cost or valuation	
At 1 October 2016 and 30 September 2017	<u>799,974</u>
Impairment	
At 1 October 2016 and 30 September 2017	<u>799,974</u>
Carrying amount	
At 1 October 2016 and 30 September 2017	<u>—</u>
At 30 September 2016	<u>—</u>

ILE HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 30 SEPTEMBER 2017

13. Investments *(continued)*

Company	Shares in participating interests £
Cost	
At 1 October 2016 and 30 September 2017	<u>100,000</u>
Impairment	
At 1 October 2016 and 30 September 2017	<u>-</u>
Carrying amount	
At 1 October 2016 and 30 September 2017	<u>100,000</u>
At 30 September 2016	<u>100,000</u>

The group held an investment in Prisma S.p.A., a company incorporated in Italy. Prisma S.p.A. traded poorly during 2014 casting significant doubt over its ability to continue as a going concern, suggesting the asset may not be recoverable. The directors have considered it prudent to continue to provide for the whole balance.

Subsidiaries, associates and other investments

Details of the investments in which the group and the parent company have an interest of 20% or more are as follows:

	Class of share	Percentage of shares held
Subsidiary undertakings		
International Lift Equipment Limited	Ordinary	100%

The registered office of the above undertakings is Lynton House, 7 - 12 Tavistock Square, London, WC1H 9BQ.

The above subsidiary undertaking is consolidated within these group financial statements.

14. Stocks

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Raw materials and consumables	<u>2,872,163</u>	<u>2,799,648</u>	<u>-</u>	<u>-</u>

15. Debtors

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Trade debtors	3,173,596	3,174,827	-	-
Prepayments and accrued income	389,295	219,432	3,200	3,093
Other debtors	21,096	7,362	-	-
	<u>3,583,987</u>	<u>3,401,621</u>	<u>3,200</u>	<u>3,093</u>

ILE HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 30 SEPTEMBER 2017

16. Cash and cash equivalents

Cash and cash equivalents comprise the following:

	2017	2016
	£	£
Cash at bank and in hand	13,633	11,156
Bank overdrafts	(303,104)	(1,250,708)
	<u>(289,471)</u>	<u>(1,239,552)</u>

17. Creditors: amounts falling due within one year

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Bank loans and overdrafts	1,797,282	1,352,587	66,903	57,732
Trade creditors	2,203,980	2,313,574	–	–
Amounts owed to group undertakings	–	–	55,614	78,191
Accruals and deferred income	30,011	30,011	–	–
Social security and other taxes	506,784	483,753	7,945	7,945
Obligations under finance leases and hire purchase contracts	12,130	47,017	–	–
Director loan accounts	20,371	57,215	–	–
	<u>4,570,558</u>	<u>4,284,157</u>	<u>130,462</u>	<u>143,868</u>

Bank loans and overdrafts are secured as follows:

A debenture dated 30 July 1981, an unlimited guarantee with a letter of set-off dated 19 October 2010, 2 1st legal charges over Zurich life policies dated 10 November 2011 and a 1st legal charge over commercial leasehold warehouse known as Units at Highest Park Industrial Estate, Hick Avenue, Highest Park London E3 9JG dated 30/06/2011.

A fixed and floating charge was created in favour of Lloyds Bank on 21/12/2016 over the company's assets to secure all outstanding debts.

Hire purchase agreements are secured over the assets financed by the agreements.

18. Creditors: amounts falling due after more than one year

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Bank loans and overdrafts	1,822,975	1,918,506	1,638,033	1,690,432
Obligations under finance leases and hire purchase contracts	3,012	15,142	–	–
	<u>1,825,987</u>	<u>1,933,648</u>	<u>1,638,033</u>	<u>1,690,432</u>

ILE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 30 SEPTEMBER 2017

The company bank loans and overdraft of £1,638,033 (2016: £1,690,432) represents two loans. Both loans are repayable by instalments by 1 April 2036 and are secured over the freehold land and buildings at DNL House, 17 Hickman Avenue, Highams Park, London, E4 9JG. Amounts repayable by instalments due after more than 5 years from the balance sheet date is £1,314,775 (2016: £1,638,032)

The rate of interest payable on one of the loans is Base Rate plus an interest margin of 2.69% per annum. The rate of interest on the other loan is fixed at 6.8% per annum.

Other bank loans and overdrafts are repayable by instalments and are fully repayable within 5 years of the balance sheet date.

A fixed and floating charge was created in favour of Lloyds Bank on 21/12/2016 over the group's assets to secure all outstanding debts.

Hire purchase agreements are secured over the assets financed by the agreements.

19. Finance leases and hire purchase contracts

The total future minimum lease payments under finance leases and hire purchase contracts are as follows:

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Not later than 1 year	12,130	47,017	–	–
Later than 1 year and not later than 5 years	3,012	15,142	–	–
	<u>15,142</u>	<u>62,159</u>	<u>–</u>	<u>–</u>

20. Provisions

Group	Deferred tax (note 21) £
At 1 October 2016	–
Additions	16,618
At 30 September 2017	<u>16,618</u>
Company	Deferred tax (note 21) £
At 1 October 2016	85,361
At 30 September 2017	<u>85,361</u>

ILE HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 30 SEPTEMBER 2017

21. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Included in provisions (note 20)	<u>16,618</u>	<u>—</u>	<u>85,361</u>	<u>85,361</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Accelerated capital allowances	16,618	—	—	—
Fair value adjustment of investment property	<u>—</u>	<u>—</u>	<u>85,361</u>	<u>85,361</u>
	<u>16,618</u>	<u>—</u>	<u>85,361</u>	<u>85,361</u>

22. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £100,969 (2016: £110,769).

23. Financial instruments

The carrying amount for each category of financial instrument is as follows:

Financial assets that are debt instruments measured at amortised cost

	Group	
	2017	2016
	£	£
Financial assets that are debt instruments measured at amortised cost	<u>2,496,501</u>	<u>2,591,372</u>

Financial liabilities measured at amortised cost

	Group	
	2017	2016
	£	£
Financial liabilities measured at amortised cost	<u>5,889,761</u>	<u>5,734,052</u>

Financial assets measured at amortised cost comprise cash and cash equivalents, trade debtors and other debtors.

Financial liabilities measured at amortised cost comprise bank loans and overdrafts, trade creditors, accruals, obligations under hire purchase and other creditors.

ILE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 30 SEPTEMBER 2017

24. Called up share capital

Issued, called up and fully paid

	2017		2016	
	No.	£	No.	£
Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>

25. Reserves

Called up share capital - This represents the nominal value of shares that have been issued.

Profit and loss account - This reserve records retained earnings and accumulated losses. Included within the company's profit and loss account is £174,961 of non-distributable reserves and £1,004,383 of distributable reserves. Included within the group's profit and loss accounts is £360,422 of non-distributable reserves and £3,090,373 of distributable reserves.

26. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Not later than 1 year	180,000	180,000	—	—
Later than 1 year and not later than 5 years	165,000	345,000	—	—
	<u>345,000</u>	<u>525,000</u>	<u>—</u>	<u>—</u>

The total operating lease payments recognised as an expense in the period was £335,267 (2016: £331,969).

27. Contingencies

Guarantee given to HM Customs and Excise in respect of excise duties of £70,000.

No provision has been made in the financial statements for this contingent liability because the directors are of the opinion that the liability will not crystallise.

28. Related party transactions

Group

During the period, the group paid remuneration including national insurance to key management personnel of £577,713 (2016: £550,866).

At the year end, the group owed the £20,371 (2016: £57,215) to the Directors. The loans are unsecured, short term and interest free.

ILE HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 30 SEPTEMBER 2017

28. Related party transactions *(continued)*

Company

The company was under the control of the Lycett family throughout the current and previous year.

The company has taken advantage of the exemption in FRS 102 Section 33 from disclosing transactions entered into between two or more members of a group since any subsidiary undertaking which is a party to the transactions is wholly owned by a member of that group.