

**TK Elevator UK Holding Limited (formerly
thyssenkrupp Aufzüge Limited)**

Annual report and financial statements

Registered number 01734279

Year ended 30 September 2021

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Strategic report

The directors present their strategic report and the audited financial statements of the company for the year ended 30 September 2021.

Review of the business

The company is that of a holding company. The loss for the financial year ended 30 September 2021 amounted to £526,000 (2020: loss: £299,000). The company has a negative equity position of £2,327,000 as at 30 September 2021 (2020: negative equity position of £5,320,000). Group support as noted below in the Directors' report is provided by the parent company, therefore the company is considered a going concern.

On 15 November 2019, the company received a non-refundable permanent capital contribution of Euro 31,729,001 by way of a gift from its previous immediate parent undertaking, thyssenkrupp UK Plc, thereby reducing the balance of amounts owed to group undertakings. Thyssenkrupp UK plc then sold its interest in the company to a fellow group undertaking, TK Elevator International Holding B.V. for £nil consideration.

On 23 September 2021, the company received a non-refundable capital contribution of £3,519,091 from TK Elevator International Holding B.V.

On 23 September 2021, the company made a capital contribution of £3,519,091 to its subsidiary undertaking, TK Elevator UK Limited.

Key performance indicators (KPI's)

Given the nature of the business and the close involvement of the directors, the company's directors are of the opinion that analysis using KPI's is not necessary or appropriate for an understanding of the development, performance or position of the business.

Promoting the success of the company and section 172(1) statement of the Companies Act 2006 (section 172)

The directors' overarching duty is to promote the success of the company for the benefit of its shareholders, with consideration of stakeholders' interests, as set out in section 172. The board regards a well governed business as essential for the successful delivery of its principal activity.

The directors are aware of their duty under section 172 to act in the way which they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole and, in doing so, to have regard (amongst other matters) to:

- a) the likely consequences of any decision in the long term;
- b) the interests of the company's employees;
- c) the need to foster the company's business relationships with suppliers, customers and others;
- d) the impact of the company's operations on the community and the environment;
- e) the desirability of the company maintaining a reputation for high standards of business conduct; and
- f) the need to act fairly as between members of the company.

The company is a subsidiary of TK Elevator Topco GmbH, an international Elevator technology business, operating in more than 100 countries with more than 50,000 employees.

Strategic report (continued)

Promoting the success of the company and section 172(1) statement of the Companies Act 2006 (section 172)

The company forms part of TK Elevator Topco GmbH. The board of TK Elevator manages the group's operations on a global and divisional basis. From the perspective of the board, as a result of the group governance structure, the matters that it is responsible for considering under section 172 have been considered to an appropriate extent by the group board in relation both to the group and to this entity, unless otherwise mentioned below. The board has also considered relevant matters where appropriate.

To the extent necessary for an understanding of the development, performance and position of the entity, the company's directors believe that the requirements of section 172 (1) (a) – (f) are discussed in detail in the TK Elevator Topco GmbH Group Management Report pages 1-41 which does not form part of this report.

On behalf of the board



W Stride
Director

20 December 2022

Directors' report

The directors present their Report and the audited financial statements of the company for the year ended 30 September 2021.

Future developments

TK Elevator UK Holding Limited (formerly thyssenkrupp Aufzüge Limited) is a holding company, with currently no future developments under consideration.

Dividends

The directors do not recommend the payment of a final dividend (2020: £nil).

Sale of the Elevator Technology business

On 31 July 2020, thyssenkrupp AG completed its sale of the Elevator Technology business to a consortium led by Advent International and Cinven. The company therefore has a new ultimate parent as disclosed in note 12.

Going concern

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The directors have also obtained confirmation that financial support will continue for the foreseeable future from TK Elevator GmbH. The company therefore continues to adopt the going concern basis in preparing its financial statements.

Financial risk management

The company's operations expose it to a variety of financial risks that include:

Liquidity risk

It is not foreseen that the liquidity of the company will be a risk, based upon expected payment terms and payment philosophies. The main cash account is held through intercompany pooling. It is therefore not anticipated that any credit arrangements will be necessary.

Interest rate risk

The management do not expect any financial risk to the company performance, arising from changes in interest rates. Interest bearing assets are cash balances pooled with the group. The directors will revisit the appropriateness of this policy should the company's operations change in size or nature.

Directors

The directors of the company who were in office during the year and up to the date of signing the financial statements were:

M Kalinowski (resigned 31 July 2021)
S Saunders (appointed 1 October 2019)
C E Neill (appointed 18 June 2021)
W Stride (appointed 24 January 2022)

Directors' report (continued)

Directors' responsibilities statement

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

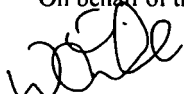
The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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.

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware; and each director has taken all the steps that they ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



W Stride
Director
20 December 2022

Independent auditors' report to the members of TK Elevator UK Holding Limited

Report on the audit of the financial statements

Opinion

In our opinion, TK Elevator UK Holding Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual report and financial statements (the "Annual Report"), which comprise: the Statement of financial position as at 30 September 2021; the Income statement and Statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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

Independent auditors' report to the members of TK Elevator UK Holding Limited (continued)

obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material

misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 30 September 2021 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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 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 company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006 and UK taxation legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and

Independent auditors' report to the members of TK Elevator UK Holding Limited (continued)

determined that the principal risks were related to inappropriate manual journals to manipulate the financial position of the business and management bias in estimates. Audit procedures performed by the engagement team included:

- Discussions with management, including enquiries into the existence and response to any known or suspected instances of non-compliance with laws and regulation and fraud;
- Testing of journals which may appear to have unusual accounting entries;
- Challenging assumptions and judgements made by management in relation to estimates; and
- Reviewing financial statement disclosures and testing supporting documentation to assess compliance with applicable laws and regulations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.



Claire Browne (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

East Midlands

20 December 2022

Income statement
for the year ended 30 September 2021

	<i>Note</i>	2021 £000	2020 £000
Income from shares in group undertakings		-	-
Result before interest and taxation	4	-	-
Finance costs	5	(526)	(299)
Loss before taxation		(526)	(299)
Income tax expense	6	307	-
Loss for the financial year		(219)	(299)

The company has no other comprehensive income / (expense) for the financial years other than those included above. Accordingly, no separate statement of comprehensive income is presented.

Statement of financial position
at 30 September 2021

	<i>Note</i>	2021 £000	2020 £000
Fixed assets			
Investments	7	14,532	11,013
		<hr/>	<hr/>
Current assets			
Trade and other receivables	8	307	
Creditors: amounts falling due within one year	9	(16,859)	(16,333)
		<hr/>	<hr/>
Net current liabilities		(16,552)	(16,333)
		<hr/>	<hr/>
Total assets less current liabilities		(2,020)	(5,320)
		<hr/>	<hr/>
Net liabilities		(2,020)	(5,320)
		<hr/>	<hr/>
Equity			
Called up share capital	9	20,990	20,990
Capital Contribution		69,816	66,297
Accumulated losses		(92,826)	(92,607)
		<hr/>	<hr/>
Total shareholders' deficit		(2,020)	(5,320)
		<hr/>	<hr/>

The notes on pages 11 to 17 are an integral part of these financial statements.

The financial statements on pages 8 to 17 were authorised for issue by the board of directors on 20 December 2022 and were signed on its behalf by:



W Stride
Director

Registered number: 01734279

Statement of changes in equity
for the year ended 30 September 2021

	Called up share capital £'000	Capital Contribution £'000	Accumulated losses £'000	Total shareholders' deficit £'000
Balance as at 1 October 2019	20,990	38,924	(92,308)	(32,394)
Loss for the financial year	-	-	(299)	(299)
	<hr/>	<hr/>	<hr/>	<hr/>
Total comprehensive expense for the year	-	-	(299)	(299)
	<hr/>	<hr/>	<hr/>	<hr/>
Capital contribution and total transaction with owners, recognised directly in equity	-	27,373	-	27,373
	<hr/>	<hr/>	<hr/>	<hr/>
Balance as at 30 September 2020	20,990	66,297	(92,607)	(5,320)
Loss for the financial year	-	-	(219)	(219)
	<hr/>	<hr/>	<hr/>	<hr/>
Total comprehensive expense for the year	-	-	(219)	(219)
	<hr/>	<hr/>	<hr/>	<hr/>
Capital contribution and total transaction with owners, recognised directly in equity	-	3,519	-	3,519
	<hr/>	<hr/>	<hr/>	<hr/>
Balance as at 30 September 2021	20,990	69,816	(92,826)	(2,020)
	<hr/>	<hr/>	<hr/>	<hr/>

On 15 November 2019, the company received a non-refundable permanent capital contribution of £27,373,000 (Euro 31,729,001) by way of a gift from its previous immediate parent undertaking, thyssenkrupp UK Plc, thereby reducing the balance of amounts owed to group undertakings. Thyssenkrupp UK plc then sold its interest in the company to a fellow group undertaking, TK Elevator International Holding B.V. for £nil consideration.

On 23 September 2021, the company received a non-refundable capital contribution of £3,519,091 from TK Elevator International Holding B.V.

Notes to the financial statements

1 General information

TK Elevator UK Holding Limited (formerly thyssenkrupp Aufzüge Limited) ('the company') is a holding company, and during the year ended 30 September 2021 only incurred activity through the income statement representing interest on the company's creditor position to fellow Group undertakings.

The company is a private company limited by shares and is incorporated and domiciled in England, the UK. The address of its registered office is Unit 1 Daniels Way, Hucknall, Nottingham, England, NG15 7LL.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The financial statements of TK Elevator UK Holding Limited (formerly thyssenkrupp Aufzüge Limited) have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006, as applicable to companies using FRS 101.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- Paragraphs 91 to 99 of IFRS 13, 'Fair value measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities)
- Paragraph 38 of IAS 1, 'Presentation of financial statements' comparative information requirements in respect of:
 - paragraph 79(a)(iv) of IAS 1;
 - paragraph 73(e) of IAS 16 Property, plant and equipment;
 - paragraph 118(e) of IAS 38 Intangible assets (reconciliations between the carrying amount at the beginning and end of the period)
- The following paragraphs of IAS 1, 'Presentation of financial statements':
 - 10(d), (statement of cash flows)
 - 10(f) (a statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements),
 - 16 (statement of compliance with all IFRS),
 - 38A (requirement for minimum of two primary statements, including cash flow statements),
 - 38B-D (additional comparative information),
 - 40A-D (requirements for a third statement of financial position)
 - 111 (cash flow statement information), and
 - 134-136 (capital management disclosures)
- IAS 7, 'Statement of cash flows':
 - Paragraph 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective)
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation)
- The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group.

Notes to the financial statements*(continued)*

2. Summary of significant accounting policies (continued)

2.1.1 Going concern

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The directors have also obtained confirmation that financial support will continue for the foreseeable future from TK Elevator GmbH. The company therefore continues to adopt the going concern basis in preparing its financial statements.

2.2 Consolidation

The company is a wholly owned subsidiary of TK Elevator International Holding B.V. registered in Roermond, the Netherlands, and it is included in the consolidated financial statements of TK Elevator Topco GmbH (formerly Vertical Topco III GmbH) as disclosed in note 11, therefore the company is exempt by virtue of section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements. These financial statements are separate financial statements.

2.3 Foreign currency translation

Functional and presentation currency

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the company operates ('the functional currency'). The financial statements are presented in 'Pounds Sterling' (£), which is also the company's functional currency.

2.4 Investment in subsidiaries

The company's investment in subsidiary undertakings is held at cost less any provisions for impairment. Impairment testing is initially performed on the net asset value of the subsidiary and if further assessment is required based on an annual basis and is based on a 5 year forecast on cash flows at an appropriate discount rate to assess the appropriateness of each subsidiary's investment value.

2.5 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.6 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.7 Dividend income

Dividend income is recognised when the right to receive payment is established.

2.8 Finance costs

Finance costs on amounts owed to group undertakings are recognised as an expense in the period in which they are incurred.

Notes to the financial statements *(continued)*

2. Summary of significant accounting policies *(continued)*

2.9 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in shareholders' funds. In this case, the tax is also recognised in other comprehensive income or directly in shareholders' funds, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; or arise from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.10 Financial instruments

Amortised cost assets (including trade receivables and amounts owed from group undertakings) are primarily financial assets with fixed or determinable payments that are not traded in an active market and are reported on the balance sheet under "Debtors: amounts falling due within one year." Initial measurement takes place at fair value plus transaction costs. They are subsequently measured at amortised cost, using the effective interest method. Valuation allowances are provided for identifiable individual risks in addition to the expected credit losses calculated when known.

Financial liabilities (including trade payables and amounts owed to group undertakings) are measured at amortised cost, using the effective interest method. Initial measurement takes place at fair value net of transaction costs incurred. In subsequent periods, the amortisation and accretion of any premium or discount is included in finance costs/income.

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the Company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

Notes to the financial statements *(continued)*

3 Critical accounting estimates and assumptions

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Impairment of investments – the company makes an estimate of the recoverable value of investments. When assessing impairment of investments, management considers factors such as net assets of the underlying investment and the expected future cash flows using a three-year forecast using an appropriate discount rate. See note 7 for the net carrying amount of the investments and associated impairment provision.

4 Result before interest and taxation

In the current and prior year, the statutory audit fee of £5,000 (2020: £5,000) has been borne by TK Elevator UK Limited. Non audit fees were £nil (2020: £nil).

The company has no employees in the year (2020: none) other than the directors. The emoluments of the directors are paid by TK Elevator UK Limited which makes no recharge to the company. The directors are also directors of TK Elevator UK Limited and a number of fellow subsidiaries and it is not possible to make an accurate apportionment of the emoluments in respect of each of the subsidiaries. Accordingly, the above details include no emoluments in respect of the company's directors. Their total emoluments are included in the aggregate of directors emoluments disclosed in the financial statements of TK Elevator UK Limited.

5 Finance costs

	2021 £000	2020 £000
Interest payable to group undertakings	<u>526</u>	<u>299</u>

Notes to the financial statements *(continued)*

6 Income tax expense

Tax expense included in profit or loss

	2021 £000	2020 £000
Current tax:		
UK corporation tax on loss for the year	(250)	-
Adjustment in respect of prior periods	(57)	-
	<hr/>	<hr/>
Total tax	(307)	-
	<hr/>	<hr/>

Tax income for the year is lower (2020: lower) than the standard rate of corporation tax in the UK for the year ended 30 September 2021 of 19% (2020: 19%). The differences are explained below:

	2021 £000	2020 £000
Loss before taxation	(526)	(299)
Loss before taxation multiplied by the standard rate of tax in the UK of 19% (2020: 19%)	(100)	(57)
Effects of:		
– Exempt amounts	(150)	
– Adjustment in respect of prior period	(57)	
– Group relief surrendered not paid for		57
	<hr/>	<hr/>
Total tax expense	(307)	-
	<hr/>	<hr/>

Notes to the financial statements (continued)

7 Investments

	Shares in subsidiary undertakings £000
Cost:	
At 1 October 2020	100,883
Additions	3,519
At 30 September 2021	104,402
Provisions:	
At 1 October 2020	89,870
Movement	-
At 30 September 2021	89,870
Net book value:	
At 30 September 2021	14,532
At 30 September 2020	11,013

On 23 September 2021, the company received a non-refundable capital contribution of £3,519,091 from TK Elevator International Holding B.V.

The company has the following subsidiary undertaking, all of which are registered in England and Wales:

Subsidiary undertaking	Holding	Proportion held	Nature of business
TK Elevator UK Limited	Ordinary shares	100%	Lift and escalator installation, service and repair

The registered office is Unit 1 Daniels Way, Hucknall, Nottingham, NG15 7LL.

The company has the following subsidiary registered in Republic of Ireland:

Subsidiary undertaking	Holding	Proportion held	Nature of business
TK Elevator Ireland Limited	Ordinary shares	100%	Lift installation, modernisation and service

The registered office of TK Elevator Ireland Limited is Unit 11, Seatown Business Campus, Seatown Road, Swords, Co Dublin.

The directors believe the carrying value of the investments is supported by their underlying net assets or future cash flows.

Notes to the financial statements *(continued)*

7 Investments *(continued)*

The directors believe that the carrying value of the investments in TK Elevator UK Limited is supported by its value in use. This is measured through the expected future discounted cash flows and is based upon a five-year discounted cash flow model including a terminal value.

8 Debtors: amounts falling due within one year

	2021 £000	2020 £000
Other receivables	307	-
	<u>307</u>	<u>-</u>

9 Creditors: amounts falling due within one year

	2021 £000	2020 £000
Amounts owed to group undertakings	16,852	16,333
Other creditors	7	-
	<u>16,859</u>	<u>16,333</u>

Amounts owed to group undertakings are unsecured and are repayable on demand. The group cash facility bears interest at a rate of 1.54% to 3.14% per annum (2020: 1.54% to 3.14% per annum).

10 Called up share capital

	2021 £000	2020 £000
Allotted and fully paid		
20,990,000 ordinary shares of £1 each (2020: 20,990,000 Ordinary shares of £1 each).	<u>20,990</u>	<u>20,990</u>

11 Related party transactions

As the company is a wholly owned subsidiary of TK Elevator International Holding B.V, the company has taken advantage of the exemption contained within FRS 101 and has therefore not disclosed transactions or balances with entities which form part of the group. The consolidated financial statements of TK Elevator Topco GmbH (previously Vertical Topco III GmbH), within which this company is included, can be obtained from the address given in note 12.

12 Ultimate parent company and immediate parent undertaking

The immediate parent undertaking is TK Elevator International Holding B.V. registered in Roermond, the Netherlands.

The company regarded by the directors as being the ultimate controlling company is Vertical Midco SARL, which is incorporated in Luxembourg.

The largest and smallest group within which the company is consolidated is TK Elevator Topco GmbH (formerly Vertical Topco III GmbH), the higher German intermediate parent company. The consolidated financial statements of TK Elevator Topco GmbH can be obtained from Allee 1, Postfach 45063, 45143 Essen, Germany or www.tkelevator.com.