

Axis Europe plc

Report and Financial Statements

Year ended

31 March 2013

Company Number 1991637



Axis Europe Plc

Report and financial statements
for the year ended 31 March 2013

Contents

Page

1	Report of the directors
5	Independent auditor's report
7	Profit and loss account
8	Balance sheet
9	Notes forming part of the financial statements

Directors

J M Hayes
S A Hayes
T Hayes
Y Ibrahim
S Lang

Secretary and registered office

S Lang, 145-149 Vauxhall Street, Kennington, London, SE11 5RH

Company number

1991637

Auditors

BDO LLP, 2 City Place, Beehive Ring Road, Gatwick, West Sussex, RH6 0PA

Bankers

Lloyds TSB, Brambletye House, 29 Brighton Road, Crawley, West Sussex, RH10 6AE

Solicitors

Clarkson Wright & Jakes, Valiant House, 12 Knoll Rise, Orpington, Kent, BR6 0PG

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Report of the directors for the year ended 31 March 2013

The directors present their report together with the audited financial statements for the year ended 31 March 2013

Results and dividends

The profit and loss account is set out on page 7 and shows the profit for the year

An interim dividend of £673,070 was approved and paid during the year (2012 - £2,284,353) The directors do not recommend the payment of a final dividend (2012 - £Nil)

Principal activities, review of the business and future developments

The principal activity of the company is that of maintenance, facilities management and office services

The sales increase from the prior year of £9,299,740 recorded a 12% increase during the period ending 31 March 2013 This reflects increases in new repairs and maintenance & external decorations contracts The company actively continues to seek out long term partnering arrangements with selective clients, which has the benefit of producing a higher quality of service, while securing longer-term revenues

Operating profits were recorded at £6,244,178 This records a decrease of 3% This is in line with current expectations

The value of secured forward orders, from April 2013 onwards, is recorded at £331m

The company's balance sheet, as detailed on page 8, shows a satisfactory position The directors are confident of profitable future trading

Performance indicators

The company uses target performance indicators for turnover, operating profit and debtor days Target and actual achievement levels for the year under review were as follows

	Target	Achieved
Turnover growth	15.0%	11.7%
Operating profit %	9.0%	7.0%
Debtor days	41	41

Going Concern

The company's balance sheet, as detailed on page 8, shows a satisfactory position The directors are confident of profitable future trading and report that there are no recognised material conditions that would indicate that the company cannot continue as a going concern

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Report of the directors for the year ended 31 March 2013 (continued)

Financial instruments, risks and policies

The group's financial instruments comprise of borrowings (mortgages and debt finance arrangements, see note 15), and cash and other liquid resources. The main purpose of these is to finance the Group's operations.

The main risks arising from these are interest rates and liquidity. The board reviews and agrees policies for managing each of these risks, which are summarised below.

Interest rate risk

The group finances its operations through a mixture of retained profits and long-term asset based finance. The debt instruments used are a mixture of base rate plus 1%, fixed rate interest and LIBOR plus 2%. The board will review future policy on interest cover when the need arises.

Hedging

The company has not undertaken any hedging in line with interest rate exposure. The board will review the situation in line with current expansion plans and adopt such strategies if deemed appropriate.

Liquidity risk

The company maintains rigorous control over working capital. Trade debt collection is currently in line with budgeted targets and the board does not consider the company to be exposed to material bad debts. Currently the board does not anticipate the need to raise long-term working capital funding. If a future need does arise, the directors will review and adopt such policies as to secure open market loans.

Foreign exchange risk

The group has minimal exposure to foreign exchange risk. Where this may occur in future trading, the board will adopt policies to meet any such risks.

Corporate and social responsibility

The directors have continued with a Corporate Social Responsibility ("CSR") policy to contribute resources for the betterment of the community. The company contributed £98,684 at 31 March 2013 (2012 - £75,000) to the Axis Foundation, a registered UK charity which will undertake to make donations to community and related causes. The company will continue to make the majority of its contributions to the Foundation in future years.

The company is actively pursuing a target of having 10% of its workforce undertaking an apprenticeship. This is seen as a positive contribution to the communities the company works in as many of these positions are filled by people living within these communities. The total as at 31 March 2013 was 9%.

The company has won ten Business in the Community Awards and was one of the first British companies to be awarded the Community Mark, a sector leader in CSR, in recognition of our training and corporate responsibility programmes. As part of the annual measurement by Business in the Community the company measures the internal value of contribution made by the staff in terms of hours given over to community projects which is in addition to charitable contributions made by the company. For the year ended 31 March 2013 the overall measure including charitable donations totalled £237,827.

Employee involvement and disabled employees

The company aims to create a working environment in which all employees are treated with courtesy and respect. The company strives continually to eliminate all unlawful discrimination in relation to job applications, employees, Partners and Residents of the Housing Associations we work with.

Employees who become disabled are provided with reasonable adjustments and necessary equipment that enables them to continue their employment.

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Report of the directors for the year ended 31 March 2013 *(continued)*

Employee involvement and disabled employees *(continued)*

The company places great importance on open and regular communication with employees through both formal and informal processes. The views of employees on matters affecting their interests and the success of the company are also sought through suggestions scheme, via the intranet and Company updates.

Charitable and political donations

During the year, the company made charitable donations of £122,435 (2012 - £94,536). There were no political donations in either year.

Directors' indemnities

Under the terms of S236 of The Companies Act 2006, the directors report the existence of qualifying third party indemnity provisions which provide indemnity limited to £1m in aggregate to the directors and officers of the company.

Directors

The directors of the company during the year were

J M Hayes
S A Hayes
T Hayes
Y Ibrahim
S Lang

The directors who held office during the year had no direct interest in the shares of the company (see note 21).

Supplier payment policy

The company's policy is to settle terms of payment with suppliers when agreeing the terms of each transaction, ensure that suppliers are made aware of the terms of payment and abide by the terms of payment. The year-end trade creditors expressed as a number of days was 27 (2012 - 23).

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Report of the directors for the year ended 31 March 2013 (continued)

Directors' responsibilities

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 judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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.

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that.

The directors are not aware of any relevant audit information of which the auditors are unaware.

Auditors

BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the next annual general meeting.

On behalf of the Board



J M Hayes
Director

24 July 2013

Axis Europe Plc

Report of the independent auditors

TO THE SHAREHOLDERS OF AXIS EUROPE PLC

We have audited the financial statements of Axis Europe Plc for the year ended 31 March 2013 which comprises the profit and loss account, the balance sheet and the related notes. 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 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.

Respective responsibilities of directors and auditors

As explained more fully in the statement of directors' responsibilities, 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate

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 March 2013 and of its profit 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 matters 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

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

Axis Europe Plc

Report of the independent auditors (continued)

- 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



Sophia Bevan (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
London
24 July 2013

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

Axis Europe Plc

Profit and loss account for the year ended 31 March 2013

	Note	2013 £	2012 £
Turnover	2	88,943,102	79,643,362
Cost of sales		<u>(63,366,293)</u>	<u>(55,983,423)</u>
Gross profit		25,576,809	23,659,939
Administrative expenses		<u>(19,332,631)</u>	<u>(17,235,422)</u>
Operating profit	3	6,244,178	6,424,517
Interest receivable and similar income	4	44,439	17,725
Interest payable and similar charges	5	<u>(52,158)</u>	<u>(74,392)</u>
Profit on ordinary activities before taxation		6,236,459	6,367,850
Taxation on profit on ordinary activities	8	<u>(1,681,483)</u>	<u>(1,731,835)</u>
Profit on ordinary activities after taxation	19	<u>4,554,976</u>	<u>4,636,015</u>

All amounts relate to continuing operations

There are no recognised gains and losses in the current or preceding year, other than the reported results stated above

The notes on pages 9 to 20 form part of these financial statements

Axis Europe Plc

Balance sheet at 31 March 2013

<i>Company number 1991637</i>	Note	2013 £	2013 £	2012 £	2012 £
Fixed assets					
Tangible assets	10	8,961,932		9,375,194	
Investments	11	32,716		32,716	
			8,994,648		9,407,910
Current assets					
Stocks	12	32,308		33,861	
Work in progress		2,417,045		1,971,601	
Debtors	13	16,099,206		15,809,441	
Cash at bank and in hand		10,404,024		6,926,767	
			28,952,583	24,741,670	
Creditors: amounts falling due within one year	14	(14,510,083)		(14,269,269)	
Net current assets			14,442,500		10,472,401
Total assets less current liabilities			23,437,148		19,880,311
Creditors, amounts falling due after more than one year	15		(1,795,917)		(2,138,368)
Provision for liabilities and charges	16		(85,732)		(68,350)
Net assets			21,555,499		17,673,593
Capital and reserves					
Called up share capital	17		50,000		50,000
Profit and loss account	18		21,505,499		17,623,593
Shareholders' funds	19		21,555,499		17,673,593

The financial statements were approved by the Board and authorised for issue on 24 July 2013


J M Hayes
Director

The notes on pages 9 to 20 form part of these financial statements

Axis Europe Plc

Notes forming part of the financial statements for the year ended 31 March 2013

1 Accounting policies

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards. The following principal accounting policies have been applied:

Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual values, of each asset over its expected useful life. It is calculated at the following rates:

Plant and machinery	-	25% reducing balance
Motor vehicles	-	25% reducing balance
Equipment, fixtures and fittings	-	25% reducing balance
Computer equipment	-	25% reducing balance
Freehold property	-	1% - 10% straight line
Leasehold property	-	Over period of lease

The directors reassessed the useful economic life of certain project assets and as a result there was an accelerated depreciation charge of £309,325 for the year ended 31 March 2013.

Impairment of fixed assets

The need for any fixed asset impairment write down is assessed by comparison of the carrying value of the asset against the higher of realisable value and value in use.

Investments

Fixed asset investments are shown at cost less provision for impairment.

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis. Net realisable value is based on estimated selling price less additional costs expected to be incurred to disposal. Provision is made for obsolete, slow-moving or defective items where appropriate.

Work in progress

Work in progress, being work carried out but not invoiced, is stated at the lower of cost and net realisable value.

Current and deferred taxation

Corporation tax payable is provided on taxable profits at the current rate.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date except that:

- deferred tax is not recognised on timing differences arising on revalued properties unless the company has entered into a binding sale agreement and is not proposing to take advantage of rollover relief, and
- the recognition of deferred tax assets is limited to the extent that the company anticipates to make sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

Axis Europe Plc

Notes forming part of the financial statements for the year ended 31 March 2013 (continued)

1 Accounting policies (continued)

Turnover

Turnover represents amounts receivable for goods and services provided in the normal course of business, net of trade discounts, VAT and other sales related taxes and is recognised on a percentage complete basis, except for maintenance contracts, where turnover is recognised on amounts invoiced to the customer

Leased assets

Where assets are financed by leasing agreements that give rights approximating to ownership (finance leases), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable over the term of the lease. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to the profit and loss account.

Lease payments are analysed between capital and interest components. The interest element of the payment is charged to the profit and loss account over the period of the lease and is calculated so that it represents a constant proportion of the balances of capital repayments outstanding. The capital element reduces the amounts payable to the lessor.

All other leases are treated as operating leases. Their annual rentals are charged to the profit and loss account on a straight line basis over the term of the lease.

Pension costs

Contributions to the company's defined contribution pension scheme are charged to the profit and loss account in the year in which they become payable.

Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

Cash flow statement

The company has taken advantage of the exemption in Financial Reporting Standard No 1, "Cash Flow Statements" from producing a cash flow statement as it is consolidated in the financial statements of its parent company, Champion International Limited, accounts for which are publicly available.

Axis Europe Plc

Notes forming part of the financial statements for the year ended 31 March 2013 (continued)

1 Accounting policies (continued)

Group accounts

The company has taken advantage of the exemption from preparing consolidated accounts afforded by Section 400 of the Companies Act 2006 because it is a wholly owned subsidiary of Champion International Limited, a company incorporated in England & Wales, which prepares consolidated accounts that are publicly available. These financial statements therefore present information about the company as an individual undertaking and not about its group.

2 Turnover

Turnover is wholly attributable to the principal activity of the company and arises solely within the United Kingdom.

3 Operating profit

	2013 £	2012 £
Operating profit is stated after charging		
Fees payable to the company's auditor for the audit of the company's annual accounts	34,000	34,000
Fees payable to the company's auditor for other services		
- tax services	7,900	10,750
Loss on sale of fixed assets	767	38,893
Depreciation of tangible fixed assets		
- owned by the company	1,567,639	1,194,858
- held under hire purchase contracts (fixtures and fittings)	15,381	15,707
Operating lease rentals - plant and machinery	124,637	85,454
	<u> </u>	<u> </u>

4 Interest receivable and similar income

	2013 £	2012 £
Interest receivable	44,439	17,725
	<u> </u>	<u> </u>

Axis Europe Plc

Notes forming part of the financial statements
for the year ended 31 March 2013 (*continued*)

5 Interest payable and similar charges

	2013 £	2012 £
Hire purchase and leasing interest	8,471	24,070
Interest on other finance creditors	43,687	50,322
	52,158	74,392
	52,158	74,392

6 Staff costs

	2013 £	2012 £
Staff costs (including directors) consist of		
Wages and salaries	16,583,650	14,145,374
Social security costs	1,708,776	1,508,948
Pension costs	323,262	373,928
	18,615,688	16,028,250
	18,615,688	16,028,250

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

	2013 Number	2012 Number
Sales and administrative staff	403	329
Operatives	163	131
	566	460
	566	460

Axis Europe Plc

Notes forming part of the financial statements
for the year ended 31 March 2013 (continued)

7 Directors' remuneration

	2013 £	2012 £
Emoluments	907,492	860,264
Company contributions to money purchase pension schemes	121,293	218,030
	<u>1,028,785</u>	<u>1,078,294</u>

During the year, five directors (2012 - five) were members of the company's money purchase pension schemes

	2013 £	2012 £
Highest paid director		
Emoluments	327,000	314,114
Contributions to money purchase pension schemes	12,736	11,733
	<u>339,736</u>	<u>325,847</u>

Axis Europe Plc

Notes forming part of the financial statements
for the year ended 31 March 2013 (continued)

8 Taxation

	2013 £	2012 £
<i>UK Corporation tax</i>		
Current tax on profit for the year	1,630,277	1,787,147
Adjustment in respect of previous periods	33,824	(10,472)
	1,664,101	1,776,675
<i>Deferred tax</i>		
Origination and reversal of timing differences (note 16)	17,382	(44,840)
	1,681,483	1,731,835

Factors affecting tax charge for the year

The tax charge assessed for the year is higher than (2012 - higher than) the standard rate of corporation tax in the UK. The differences are explained below

	2013 £	2012 £
Profit on ordinary activities before tax	6,236,459	6,367,850
Profit on ordinary activities at the standard rate of corporation tax in the UK of 24% (2012 - 26%)	1,496,750	1,655,641
Effect of		
Depreciation in excess to capital allowances	177,968	78,131
Adjustment to tax in respect of previous periods	33,824	(10,472)
Expenses not allowable for tax	18,744	53,375
Other timing differences	(63,185)	-
	1,664,101	1,776,675

9 Dividends

	2013 £	2012 £
<i>Ordinary shares</i>		
Interim dividend paid for the year of £13.46 (2012 - £45.69) per share	673,070	2,284,353
	673,070	2,284,353

Axis Europe Plc

Notes forming part of the financial statements
for the year ended 31 March 2013 (*continued*)

10 Tangible fixed assets

	Freehold property £	Motor vehicles £	Plant and machinery £	Equipment, fixtures and fittings £	Computer equipment £	Total £
<i>Cost</i>						
At 1 April 2012	6,607,178	2,460,246	1,024,377	1,481,799	2,720,989	14,294,589
Additions	-	649,286	71,035	45,208	458,205	1,223,734
Disposals	-	(201,387)	-	900	-	(200,487)
At 31 March 2013	6,607,178	2,908,145	1,095,412	1,527,907	3,179,194	15,317,836
<i>Depreciation</i>						
At 1 April 2012	900,818	1,342,078	480,558	1,076,180	1,119,761	4,919,395
Charge for the year	198,483	367,630	143,809	148,477	724,621	1,583,020
Disposals	-	(147,251)	-	740	-	(146,511)
At 31 March 2013	1,099,301	1,562,457	624,367	1,225,397	1,844,382	6,355,904
<i>Net book value</i>						
At 31 March 2013	5,507,877	1,345,688	471,045	302,510	1,334,812	8,961,932
At 31 March 2012	5,706,360	1,118,168	543,819	405,619	1,601,228	9,375,194

The depreciation on the leased assets is shown in note 3

Freehold property with a net book value of £5,507,877 (2012 - £5,706,360) has been secured as disclosed in note 15

In the opinion of the Directors, the open market value of freehold properties owned by the company on 31 March 2013 was in line with the historic cost carrying value of £5,507,877 stated above

Leased assets included above

Net book value

	Freehold property £	Motor vehicles £	Plant and machinery £	Equipment, fixtures and Fittings £	Computer equipment £	Total £
At 31 March 2013	-	-	-	46,143	-	46,143
At 31 March 2012	-	-	-	61,524	-	61,524

Axis Europe Plc

Notes forming part of the financial statements
for the year ended 31 March 2013 (continued)

11 Investments

Subsidiary undertakings

	£
<i>Cost</i>	
At 1 April 2012	132,716
	<hr/>
31 March 2013	132,716
	<hr/>
<i>Provisions for impairment</i>	
At 1 April 2012	100,000
	<hr/>
31 March 2013	100,000
	<hr/>
<i>Net book value</i>	32,716
	<hr/>

Name	Country of incorporation or registration	Proportion of voting rights and ordinary share capital held		Nature of business
G P Graphics Limited	England and Wales	Ordinary	100%	Dormant
Multi Trades Limited	England and Wales	Ordinary	100%	Dormant

12 Stocks

	2013 £	2012 £
Goods held for resale	32,308	33,861
	<hr/>	<hr/>

The replacement cost of stock is not considered to be materially different from the amount stated above

13 Debtors amounts falling due within one year

	2013 £	2012 £
Trade debtors	15,171,596	14,544,523
Amounts owed by parent undertaking	3,094	3,094
Prepayments and accrued income	924,516	1,261,824
	<hr/>	<hr/>
	16,099,206	15,809,441
	<hr/>	<hr/>

Axis Europe Plc

Notes forming part of the financial statements
for the year ended 31 March 2013 (continued)

14 Creditors amounts falling due within one year

	2013 £	2012 £
Trade creditors	5,430,304	4,190,823
Corporation tax	694,277	761,789
Taxation and social security	2,927,128	2,647,609
Obligations under finance leases and hire purchase contracts	38,738	55,601
Other finance creditors	307,645	300,056
Amounts owed to parent undertaking	8,000	8,000
Accruals and deferred income	5,103,991	6,305,391
	<u>14,510,083</u>	<u>14,269,269</u>

15 Creditors amounts falling due after more than one year

	2013 £	2012 £
Obligations under finance leases and hire purchase contracts	16,566	55,304
Other finance creditors	1,779,351	2,083,064
	<u>1,795,917</u>	<u>2,138,368</u>

Other finance creditors are secured over the freehold property as disclosed in note 10. The finance creditor, secured on the premises at 145-149 Vauxhall Street, London SE11 5RH, is also secured by a debenture and fixed and floating charge over all of the company's undertaking, business and assets.

Axis Europe Plc

Notes forming part of the financial statements
for the year ended 31 March 2013 *(continued)*

15 Creditors amounts falling due after more than one year *(continued)*

Obligations under finance leases and hire purchase contracts are due as follows

	2013 £	2012 £
Within one year	38,738	55,601
Between one and two years	16,566	38,738
Between two and five years	-	16,566
	55,304	110,905

Other finance creditors are due as follows

Within one year	307,645	300,056
Between one and two years	312,913	305,389
Between two and five years	966,185	949,208
After five years	500,253	828,467
	2,086,996	2,383,120

Amounts due after five years are payable over a period of 9 years from 31 March 2013, and bear interest at the lender's base rate plus 1% or LIBOR plus 2%

16 Provision for liabilities and charges

		£
<i>Deferred tax</i>		
At 1 April 2012		68,350
Credit to the profit and loss account (note 8)		17,382
		85,732
At 31 March 2013		85,732
	2013 £	2012 £
Accelerated capital allowances	85,732	68,350

Axis Europe Plc

Notes forming part of the financial statements for the year ended 31 March 2013 (continued)

17 Share capital

	2013 £	2012 £
<i>Allotted, called-up and fully-paid</i> 50,000 ordinary shares of £1 each	50,000	50,000

18 Profit and loss account

	2013 £	2012 £
At 1 April	17,623,593	15,271,931
Profit for the year	4,554,976	4,636,015
Dividends (note 9)	(673,070)	(2,284,353)
At 31 March	21,505,499	17,623,593

19 Reconciliation of movements in shareholders' funds

	2013 £	2012 £
Opening shareholders' funds	17,673,593	15,321,931
Profit for the year	4,554,976	4,636,015
Dividends (note 9)	(673,070)	(2,284,353)
Closing shareholders' funds	21,555,499	17,673,593

20 Commitments under operating leases

Annual commitments under non-cancellable operating leases are as follows

	Plant and machinery	
	2013 £	2012 £
<i>Expiry date</i>		
Within one year	23,700	3,251
Between two and five years	99,891	73,974
Greater than five years	5,443	1,474
	129,034	78,699

Axis Europe Plc

Notes forming part of the financial statements
for the year ended 31 March 2013 (*continued*)

21 Ultimate parent undertaking and ultimate controlling party

The directors regard Kwong House Limited, a company incorporated in the British Virgin Islands, as the company's ultimate parent undertaking

Champion International Limited, a company incorporated in England, is the parent undertaking of the largest and smallest group of which the company is a member and for which group accounts are drawn up. Copies of these group accounts may be obtained from the Registrar of Companies, Companies House, Crown Way, Mandy, Cardiff, CF4 3UZ

The directors regard John Hayes as the ultimate controlling party by virtue of his controlling interest in Kwong House Limited

22 Related party transactions

Advantage has been taken of the exemption allowed by Financial Reporting Standard No 8 "Related Party Disclosures" not to disclose transactions with entities that are included in the consolidated financial statements of Champion International Limited

There were no other related party transactions at any point during the year