Company Registration No 3532885 (England and Wales)

GALLDRIS CONSTRUCTION LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2011

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GALLDRIS CONSTRUCTION LIMITED

COMPANY INFORMATION

Directors	D Gallagher S O'Driscoll M McDonough J Pasley
Secretary	S O'Driscoll
Company number	3532885
Registered office	Galldris House, Units 9 & 10 Pavilion Business Centre 6 Kinetic Crescent, Innova Science Park Enfield Middlesex EN3 7FJ
Auditors	Goldblatts 171 - 173 Gray's Inn Road London WC1X 8UE
Business address	Galldris House, Units 9 & 10 Pavilion Business Centre 6 Kinetic Crescent, Innova Science Park Enfield Middlesex EN3 7FJ

GALLDRIS CONSTRUCTION LIMITED

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GALLDRIS CONSTRUCTION LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2011

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

Principal activities and review of the business

The principal activity of the company continued to be that of construction and civil engineering The company operates as a specialist groundworks contractor and handles some of the most complex civil engineering and groundworks projects in London and the South of England The company has continued to secure repeat orders from its satisfied clients and has actively sought to widen its customer base

Performance

2010/11 saw the company improve its market share despite the difficult trading conditions, and achieve a turnover of just under £30m, an increase of over 25%

Principal risks and uncertainties

Commercial Risk

The company manages this risk by providing added value services to its customers, having fast response times not only in supplying products and services but also in handling all customer queries and by maintaining strong relationships with customers The company's commercial risk is reduced due to the market share of their customers as many of the company's customers are long standing market leaders in their field The company has spread its commercial risk by not only actively seeking to widen its customer base but also through continued expansion of its activities in London and the South of England In this respect the company also continues to diversify its activities in a number of related areas such as rail, commercial, social housing, health, educational, MoD, local authorities and water boards, so it is not reliant on one particular core area

Taxation risk

The company is exposed to financial risks from increases in tax rates and changes to the basis of taxation including corporation tax and VAT Principal controls to mitigate this risk include regular monitoring of legislative proposals and the engagement of experienced executives and the use of experienced sector specific professional advisers to mitigate the impact of changes

Management risk

The company is reliant on its high calibre team of operational managers and surveyors and board of directors The company recruits and develops high calibre employees, many of whom have been with the company for a number of years The board have tried to ensure that the knowledge base of the operational management team is shared as much as possible throughout the company

Financing risk

See Financial instruments

Economic downturn

The directors have identified and evaluated risks and uncertainties and have controls in place to mitigate these Responsibility for management of each key risk is identified and delegated The company is exposed to the risks of the economic downturn that could lower the company's revenues and operating results in the future However, actions continue to be taken to maximise the company's performance in all aspects of the business As stated above, the company continues to diversify its activities in a number of areas and as such, it is not reliant on one core area such as the private housing sector that has suffered considerably in the economic downturn

The position of the company at the year end

The balance sheet on page 9 of the financial statements shows that the company's financial position at the year end is, in both net assets and liquidity terms, a slight improvement over the previous year The effects of the economic downturn continue to be felt with continued pressure on margins in a very competitive industry

GALLDRIS CONSTRUCTION LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2011

Key performance indicators
The key financial and non financial performance indicators used to determine the progress and performance of the company are set out below

Market Share
The company is a medium-sized privately owned construction service provider company based in the South East of England The company enjoys greater than national average market share Although difficult to quantify within a given criteria it is estimated to have a significant market share

Gross Profit Margin
The company's gross profit margin increased slightly from 9% to 9 5%

Operating profit % of sales
The directors view operating profit as a % of sales as a key performance indicator for the business and this is reviewed regularly The ratio has been maintained over the course of the year at 5% It is the intention of the company to continue to strengthen its financial performance in the industry by concentrating on client retention and expansion in the market share, whilst at the same time closely monitoring both direct and indirect costs

Results and dividends
The results for the year are set out on page 8

An interim ordinary dividend was paid amounting to £1,000,000 The directors do not recommend payment of a final dividend

Future developments
The company is focused on securing profitable work and to continuing to increase its market share by expanding its customer base and is working towards securing more work as principal contractor in the future

Going concern
The company has considerable financial resources and at the date of approval of the financial statements has a healthy secured order book with a number of confirmed contracts in the UK from repeat customers As a consequence, the directors have considered the year ahead and believe that the company is well placed to manage its business risks successfully despite the current uncertain economic outlook After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts

Directors
The following directors have held office since 1 April 2010

D Gallagher
S O'Driscoll
M McDonough
J Pasley

Safety, health and environmental policies

The company continues to strive to improve its safety, health and environmental standards and performance These are monitored regularly throughout the year and reviewed in response to performance and changes in legislation by its in-house safety department

Health & Safety

The company recognises the significance of health and safety in the workplace to ensure its work force is free from risk, through investment in training and education in the occupational health and safety field

In recognising the significance of health and safety the company has made significant investment in the training programme (Train to Gain), external monitoring, environmental impact, reducing risk, employment of professionally qualified personnel and a full time health and safety director who heads up the in-house health and safety department

The implementation of the Train to Gain training programme has the objective of ensuring that all site workers will achieve industry-recognised qualifications such as the Construction Skills Certification Scheme (CSCS) and all plant operatives gain the Construction Plant Competence Scheme (CPCS) card In addition, the monitoring of its employees health and welfare through regular site visits and the continuation of its extensive training programme, ensuring competency in the workplace, has all played a part in achieving a reduction in the company's accident rate

Environment

The company recognises the importance of its environmental responsibilities, monitors its impact on the environment and designs and implements policies to reduce any damage that might be caused by its activities Initiatives designed to minimise the company's impact on the environment include safe disposal of any product waste, recycling and reducing energy consumption

The directors are taking steps to expand its environmental department and are continually striving to improve their environmental policies In so doing, they have implemented a series of initiatives to minimise the company's carbon footprint, ranging from the fitting of carbon reduction filters on plant, ensuring that timber used only comes from sustainable sources to waste reduction methods and improved efficiency of deliveries of materials to site The company has also developed an environmental, waste disposal and sustainable procurement policies that it will continue to review on an annual basis

Accreditations

During the year the company has been assessed and has achieved ISO 9001 2008 and has developed a detailed quality management system that in the opinion of the directors, will improve its internal and external processes

The company has also achieved the following accreditations

- The Contractors Health & Safety (CHAS) assessment scheme
- The Royal Society for the Prevention of Accidents (ROSPA) Silver Award Occupational Health and Safety
- Registered under the BIS Constructionline scheme
- Certificate of Compliance under the Building Register
- Exor Certified Supplier Programme (Scheme Balfour Beatty Infrastructure Services)
- Achilles Building Confidence Accreditation - Qualified Supplier

GALLDRIS CONSTRUCTION LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2011

Charitable donations	2011	2010
	£	£
During the year the company made the following payments		
Charitable donations	3,750	3,632

Employee involvement and policy

The company's employees are its most important resource It is essential to the future success of the business that a skilled and motivated workforce is retained The company continues to make significant investment in its human resources both in terms of necessary increases and strengthening of its management teams, supervisory personnel and work force

Details of the number of employees and related costs can be found in note 19 to the financial statements

The company's employment policies respect the individual and offer career opportunities regardless of gender, race or religion The company engages, promotes and trains staff on the basis of their capabilities, qualifications and experience without discrimination, giving all employees an equal opportunity to progress within the company

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned In the event of members of staff becoming disabled every effort is made to ensure that their employment with the company continues and that appropriate training is arranged It is the policy of the company that the training, career development and promotion of disabled persons should, as far as possible, be identical with that of other employees

Financial instruments

Treasury operations and financial instruments

The company's principal financial instruments comprise bank balances, trade creditors and trade debtors The main purpose of these instruments is to raise funds for the company's operations and to finance the company's operations

Due to the nature of the financial instruments used by the company there is no exposure to price risk The company's approach to managing other risks applicable to the financial instruments concerned is shown below In respect of bank balances the liquidity risk is managed by maintaining a positive balance between continuity of funding and flexibility through and agreed payment policy

The company makes use of money market facilities where funds are available

Liquidity risk

The company manages the liquidity risk by ensuring there are sufficient funds to meet the payments

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding In particular, strict payment terms are negotiated with the company's customers which enables the company to ensure it is paid within the agreed period once an application is issued A high proportion of contracts are negotiated in this way

Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due within agreed credit terms

Auditors

The auditors, Goldblatts, are deemed to be reappointed under section 487(2) of the Companies Act 2006

GALLDRIS CONSTRUCTION LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2011

Statement of 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,
- 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

The directors' are responsible for the maintenance and integrity of the company website Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information

On behalf of the board

S O'Driscoll

Director

18/10/2011

GALLDRIS CONSTRUCTION LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF GALLDRIS CONSTRUCTION LIMITED

We have audited the financial statements of Galldris Construction Limited for the year ended 31 March 2011 set out on pages 8 to 19 The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

This report is made solely to the company's 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 auditors' report and for no other purpose To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's 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 Directors' Responsibilities Statement set out on pages 1 - 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements

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 2011 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 matter prescribed by the Companies Act 2006

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

GALLDRIS CONSTRUCTION LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF GALLDRIS CONSTRUCTION LIMITED

Matters on which we are required to report by exception

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

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

Seamus Ferguson FCA (Senior Statutory Auditor)
for and on behalf of Goldblatts

18 October 2011

Accountants
Statutory Auditor

171 - 173 Gray's Inn Road
London
WC1X 8UE

GALLDRIS CONSTRUCTION LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2011

	Notes	2011 £	2010 £
Turnover	2	29,994,259	23,813,766
Cost of sales		(27,147,614)	(21,650,919)
Gross profit		2,846,645	2,162,847
Administrative expenses		(1,420,686)	(1,036,288)
Other operating income		100,085	58,373
Operating profit	3	1,526,044	1,184,932
Other interest receivable and similar income	4	5,193	7,306
Interest payable and similar charges	5	(1,510)	(521)
Profit on ordinary activities before taxation		1,529,727	1,191,717
Tax on profit on ordinary activities	6	(444,751)	(353,919)
Profit for the year	14	1,084,976	837,798

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

GALLDRIS CONSTRUCTION LIMITED

BALANCE SHEET

AS AT 31 MARCH 2011

	Notes	2011 £	2011 £	2010 £	2010 £
Fixed assets					
Tangible assets	8		23,008		47,058
Current assets					
Stocks	9	2,031,012		837,449	
Debtors	10	7,458,031		5,293,919	
Cash at bank and in hand		2,055,572		1,531,238	
		11,544,615		7,662,606	
Creditors amounts falling due within one year	11	(10,657,257)		(6,880,271)	
Net current assets			887,358		782,335
Total assets less current liabilities			910,366		829,393
Provisions for liabilities	12		-		(4,003)
			910,366		825,390
Capital and reserves					
Called up share capital	13		100		100
Profit and loss account	14		910,266		825,290
Shareholders' funds	15		910,366		825,390

Approved by the Board and authorised for issue on 18/10/2011

D Gallagher
Director

S O'Driscoll
Director

Company Registration No 3532885

GALLDRIS CONSTRUCTION LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2011

		2011		2010
	£	£	£	£
Net cash inflow from operating activities		2,103,748		907,623
Returns on investments and servicing of finance				
Interest received	5,193		7,306	
Interest paid	(1,510)		(521)	
Net cash inflow for returns on investments and servicing of finance		3,683		6,785
Taxation		(579,043)		(376,060)
Capital expenditure				
Payments to acquire tangible assets	-		(27,779)	
Receipts from sales of tangible assets	-		33,475	
Net cash (outflow)/inflow for capital expenditure		-		5,696
Equity dividends paid		(1,000,000)		(680,000)
Net cash inflow/(outflow) before management of liquid resources and financing		528,388		(135,956)
Financing				
Capital element of hire purchase contracts	-		(682)	
Net cash outflow from financing		-		(682)
Increase/(decrease) in cash in the year		528,388		(136,638)

GALLDRIS CONSTRUCTION LIMITED

NOTES TO THE CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2011

1	**Reconciliation of operating profit to net cash inflow from operating activities**	**2011**	**2010**
		£	**£**
	Operating profit	1,526,044	1,184,932
	Depreciation of tangible assets	24,050	64,288
	Profit on disposal of tangible assets	-	(32,240)
	Increase in stocks	(1,193,563)	(442,137)
	Increase in debtors	(2,164,112)	(2,414,473)
	Increase in creditors within one year	3,911,329	2,547,253
	Net cash inflow from operating activities	2,103,748	907,623

2	**Analysis of net funds**	**1 April 2010**	**Cash flow**	**Other non-cash changes**	**31 March 2011**
		£	**£**	**£**	**£**
	Net cash				
	Cash at bank and in hand	1,531,238	524,334	-	2,055,572
	Bank overdrafts	(4,054)	4,054	-	-
		1,527,184	528,388	-	2,055,572
	Bank deposits	-	-	-	-
	Net funds	1,527,184	528,388	-	2,055,572

3	**Reconciliation of net cash flow to movement in net funds**	**2011**	**2010**
		£	**£**
	Increase/(decrease) in cash in the year	528,388	(136,638)
	Cash (inflow)/outflow from (increase)/decrease in debt	-	682
	Movement in net funds in the year	528,388	(135,956)
	Opening net funds	1,527,184	1,663,140
	Closing net funds	2,055,572	1,527,184

GALLDRIS CONSTRUCTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2011

1 Accounting policies

1 1 Accounting convention

The financial statements are prepared under the historical cost convention

1 2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

1 3 Turnover

Turnover represents the invoiced amount of goods sold and services provided less returns and allowances, excluding VAT and trade discounts Sales are recognised on the basis of work measured, valued and certified at the year end

Profit is recognised on long-term contracts, if the final outcome can be assessed with reasonable certainty, by including in the profit and loss account turnover and related costs as contract activity progresses Turnover is calculated as that proportion of total contract value which costs to date bear to total expected costs for that contract

1 4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows

Plant and machinery	25% Straight Line
Fixtures, fittings & equipment	25% Straight Line
Motor vehicles	25% Straight Line

1 5 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives Obligations under such agreements are included in creditors net of the finance charge allocated to future periods The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period

Rentals payable under operating leases are charged against income on a straight line basis over the lease term

1 6 Stock and work in progress

Work in progress is valued at the lower of cost and net realisable value Cost includes all direct costs and an appropriate proportion of fixed and variable overheads Work in progress is reflected in the accounts on a contract by contract basis and represents the unbilled direct and indirect costs incurred as at the year end These typically arise where mid month valuations have occurred and a time apportioned estimate of the cost of measured work has been calculated Net realisable value represents the certified value of the measured work carried out in a particular period, invoiced subsequent to the year end

1 7 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes The deferred tax balance has not been discounted

1 Accounting policies **(continued)**

1 8 Liquid resources

In accordance with FRS 1, liquid resources comprises current asset investments and excludes cash and bank balances repayable on demand

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom

3 Operating profit

	2011	2010
	£	£
Operating profit is stated after charging		
Depreciation of tangible assets	24,050	64,288
Operating lease rentals	119,339	96,116
and after crediting		
Profit on disposal of tangible assets	-	(32,240)

During the year, exceptional bad debts (included in administrative expenses) amounted to £288,922 (2010 £nil)

Auditors' remuneration

Fees payable to the company's auditor for the audit of the company's annual accounts	20,000	20,500
Assurance services	29,200	25,092
Tax advisory	1,500	1,500
	50,700	47,092

4 Investment income

	2011	2010
	£	£
Bank interest	5,193	6,131
Other interest	-	1,175
	5,193	7,306

5	**Interest payable**	**2011**	**2010**
		£	**£**
	On bank loans and overdrafts	138	398
	Hire purchase interest	-	123
	On overdue tax	1,372	-
		1,510	521

6	**Taxation**	**2011**	**2010**
		£	**£**
	Domestic current year tax		
	U K corporation tax	448,754	352,822
	Total current tax	448,754	352,822
	Deferred tax		
	Origination and reversal of timing differences	(4,003)	1,097
		444,751	353,919
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	1,529,727	1,191,717
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 28 00% (2010 - 28 00%)	428,324	333,681
	Effects of		
	Non deductible expenses	15,531	11,212
	Depreciation add back	6,734	18,001
	Capital allowances	(1,835)	(10,072)
		20,430	19,141
	Current tax charge for the year	448,754	352,822

7	**Dividends**	**2011**	**2010**
		£	**£**
	Ordinary interim paid	1,000,000	680,000

8 Tangible fixed assets

	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 April 2010 & at 31 March 2011	266,860	95,120	95,197	457,177
Depreciation				
At 1 April 2010	246,411	68,511	95,197	410,119
Charge for the year	12,007	12,043	-	24,050
At 31 March 2011	258,418	80,554	95,197	434,169
Net book value				
At 31 March 2011	8,442	14,566	-	23,008
At 31 March 2010	20,449	26,609	-	47,058

9 Work in progress

	2011	2010
	£	£
Work in progress	2,031,012	837,449

10 Debtors

	2011	2010
	£	£
Trade debtors	6,155,812	4,387,259
Other debtors	1,224,695	832,037
Prepayments and accrued income	77,524	74,623
	7,458,031	5,293,919

11 Creditors amounts falling due within one year

	2011 £	2010 £
Bank loans and overdrafts	-	4,054
Trade creditors	5,938,352	3,173,954
Amounts owed to parent and fellow subsidiary undertakings	230,645	-
Amounts owed to companies under common control	1,386,129	157,516
Corporation tax	222,533	352,822
Other taxes and social security costs	238,341	326,602
Other creditors	280,465	99,862
Accruals and deferred income	2,360,792	2,765,461
	10,657,257	6,880,271

12 Provisions for liabilities

	Deferred tax liability £
Balance at 1 April 2010	4,003
Profit and loss account	(4,003)
Balance at 31 March 2011	-

Deferred tax is provided as follows

	2011 £	2010 £
Accelerated capital allowances	-	4,003

13 Share capital

	2011 £	2010 £
Allotted, called up and fully paid		
100 Ordinary Shares of £1 each	100	100

14 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 April 2010	825,290
Profit for the year	1,084,976
Dividends paid	(1,000,000)
Balance at 31 March 2011	910,266

15 Reconciliation of movements in shareholders' funds

	2011 £	2010 £
Profit for the financial year	1,084,976	837,798
Dividends	(1,000,000)	(680,000)
Net addition to shareholders' funds	84,976	157,798
Opening shareholders' funds	825,390	667,592
Closing shareholders' funds	910,366	825,390

16 Contingent liabilities

The company has provided guarantees in respect of hire purchase facilities of a related company ODG Plant Hire Limited, up to a value of £106,000 At 31 March 2011, the outstanding hire purchase liability in ODG Plant Hire Limited amounted to £2,495 (2010 £32,493) - see also Note 21

17 Financial commitments

At 31 March 2011 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 March 2012

	Land and buildings	
	2011 £	2010 £
Operating leases which expire		
Within one year	20,000	20,000
In over five years	78,000	78,000
	98,000	98,000

18 Directors' remuneration

	2011 £	2010 £
Remuneration for qualifying services	192,000	175,311

19 Employees

Number of employees

The average monthly number of employees (including directors) during the year was

	2011 Number	2010 Number
Construction	17	19
Administration	11	7
	28	26

Employment costs	2011 £	2010 £
Wages and salaries	511,454	604,812
Social security costs	50,218	62,280
	561,672	667,092

20 Control

The immediate and ultimate parent company is Galldris Holdings Limited, a company registered in England and Wales The company was incorporated on 24 March 2010 and the first consolidated financial statements were prepared in respect of the year ended 31 March 2011

The ultimate controlling parties are S O'Driscoll and D Gallagher by virtue of their equal beneficial interest in the issued share capital of the ultimate parent company

21 Related party relationships and transactions

The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by Galldris Holdings Limited

During the year the company obtained services in the sum of £3,552,053 (2010 (£2,041,561), on normal commercial terms, from ODG Plant Hire Limited, a company in which S O'Driscoll and D Gallagher have a controlling interest At 31 March 2011, the net balance due to ODG Plant Hire Limited was £1,386,129 (2010 £157,516) In addition, during the year, goods and services in the sum of £544,350 (2010 £545,384) were sold to ODG Plant Hire Limited by the company, on normal commercial terms The company has also provided guarantees in respect of hire purchase facilities for ODG Plant Hire Limited to the value of £106,000 (2010 £106,000) - see Note 16

During the year the company paid rent in the sum of £118,000 (2010 £78,000) to the directors, S O'Driscoll and D Gallagher in respect of premises occupied by the company, owned personally by the directors The transactions were made on normal commercial terms

Dividends paid to two of the directors during the year amounted to £nil (2010 £680,000)

Included in debtors falling due within one year are net amounts of £nil (2010 £249,457) and £nil (2010 £181,778) owed to the company by S O'Driscoll and D Gallagher respectively in respect of their directors' loan accounts The maximum amounts outstanding during the year were £249,457 and £181,778 respectively The loans are unsecured and repayable on demand Interest of £nil (2010 £1,175) has been charged by the company at the rate of 4 75% per annum on overdrawn balances