

Registered number: 03082140

GLEEDS INTERNATIONAL HOLDINGS LIMITED

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

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GLEEDS INTERNATIONAL HOLDINGS LIMITED

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GLEEDS INTERNATIONAL HOLDINGS LIMITED

COMPANY INFORMATION

DIRECTORS R P Steer
I J Miller
J S Murray
S Senior

COMPANY SECRETARY N E J Hampson

COMPANY NUMBER 03082140

REGISTERED OFFICE 95 New Cavendish Street
London
W1W 6XF

AUDITORS PricewaterhouseCoopers LLP
Chartered accountants and statutory auditors
31 Great George Street
Bristol
BS1 5QD

BANKERS Lloyds TSB Bank plc
132 Regent Street
London
W1A 4BH

SOLICITORS Dawsons LLP
2 New Square
Lincoln's Inn
London
WC2A 3RZ

GLEEDS INTERNATIONAL HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2011

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

DIRECTORS' RESPONSIBILITIES STATEMENT

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

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

- select suitable accounting policies and then apply them consistently,
- make judgments and 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.

PRINCIPAL ACTIVITIES

The principal activity of the company during the financial year was to act as a holding company.

BUSINESS REVIEW

The company continued to act as a holding company for the investments in Gleeds International Limited, Gleeds Americas Holdings Limited, Gleeds Asia Pacific Holdings Limited and Gleeds Middle East Limited. The directors believe that these investments are performing satisfactorily. The investment in Gleeds Corporate Services Limited was disposed of during the year.

RESULTS AND DIVIDENDS

The loss for the year, after taxation, amounted to £5,025 (2010 - profit £1,465).

The directors did not propose a dividend in the financial year (2010 - nil).

GLEEDS INTERNATIONAL HOLDINGS LIMITED

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

DIRECTORS

The directors who served during the year were

R P Steer
I J Miller
J S Murray
S Senior

At the beginning and end of the financial year, R P Steer held all 52 £1 'A' ordinary shares on trust for the Gleeds (Head Office) partnership, J S Murray held all 52 £1 'B' shares on trust for the Gleeds UK partnership, S Senior held all 52 £1 'C' ordinary shares on trust for the Gleeds UK partnership and I J Miller held all 52 £1 'D' ordinary shares on trust for the Gleeds UK partnership

The company has no direct employees (2010 - none)

PRINCIPAL RISKS AND UNCERTAINTIES

The company is acting as a holding company for several limited liability companies and the key identified business risk is considered to be the state of the construction and real estate markets of those investments, which continue to be monitored closely by the directors

PROVISION OF INFORMATION TO AUDITORS

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

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

AUDITORS

The auditors, PricewaterhouseCoopers LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006

This report was approved by the board on 25 February 2013 and signed on its behalf



R P Steer
Director

GLEEDS INTERNATIONAL HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF GLEEDS INTERNATIONAL HOLDINGS LIMITED

We have audited the financial statements of Gleeds International Holdings Limited for the year ended 31 December 2011, set out on pages 6 to 14. 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, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

BASIS FOR QUALIFIED OPINION ON THE FINANCIAL STATEMENTS

As explained in Note 1 to the financial statements, the company is not entitled to the exemption for small companies from the requirement to produce consolidated financial statements under section 399 of the Companies Act 2006, as it has not met the applicable criteria. Financial Reporting Standard 2, Accounting for subsidiary undertakings, also requires consolidated financial statements to be produced in such circumstances. Consequently, the company should have produced consolidated financial statements for the parent company and its subsidiary undertakings.

GLEEDS INTERNATIONAL HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF GLEEDS INTERNATIONAL HOLDINGS LIMITED

QUALIFIED OPINION ON FINANCIAL STATEMENTS

Except for the failure to produce consolidated financial statements, in our opinion the financial statements

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

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

The directors have prepared the financial statements in accordance with the small company regime, by not preparing consolidated financial statements, and in our opinion they are not entitled to do so

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

Colin Bates (Senior statutory auditor)

for and on behalf of
PricewaterhouseCoopers LLP

Chartered accountants and statutory auditors

31 Great George Street
Bristol
BS1 5QD

27 February 2013

GLEEDS INTERNATIONAL HOLDINGS LIMITED

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

	Note	2011 £	2010 £
Administrative expenses		<u>(5,000)</u>	<u>(8,712)</u>
OPERATING LOSS	2	(5,000)	(8,712)
Interest payable and similar charges	3	<u>(25)</u>	<u>(20)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(5,025)	(8,732)
Tax on loss on ordinary activities	4	<u>-</u>	<u>10,197</u>
(LOSS)/PROFIT FOR THE FINANCIAL YEAR	10	<u>(5,025)</u>	<u>1,465</u>

All amounts relate to continuing operations

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

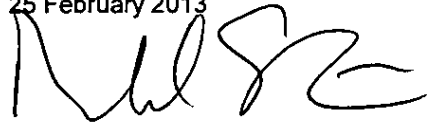
The notes on pages 9 to 14 form part of these financial statements

GLEEDS INTERNATIONAL HOLDINGS LIMITED
REGISTERED NUMBER. 03082140

BALANCE SHEET
AS AT 31 DECEMBER 2011

	Note	£	2011 £	£	2010 £
FIXED ASSETS					
Investments	5		327,426		327,427
CURRENT ASSETS					
Debtors	6	1,162		570	
Cash at bank		3,655		9,272	
		<u>4,817</u>		<u>9,842</u>	
CREDITORS . amounts falling due within one year	7	<u>(5,503)</u>		<u>(5,503)</u>	
NET CURRENT (LIABILITIES)/ASSETS			<u>(686)</u>		<u>4,339</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>326,740</u>		<u>331,766</u>
CREDITORS . amounts falling due after more than one year	8		<u>(420,095)</u>		<u>(420,096)</u>
NET LIABILITIES			<u>(93,355)</u>		<u>(88,330)</u>
CAPITAL AND RESERVES					
Called up share capital	9		208		208
Share premium account	10		950		950
Profit and loss account	10		<u>(94,513)</u>		<u>(89,488)</u>
SHAREHOLDERS' DEFICIT	11		<u>(93,355)</u>		<u>(88,330)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 25 February 2013



R P Steer
 Director

The notes on pages 9 to 14 form part of these financial statements

GLEEDS INTERNATIONAL HOLDINGS LIMITED

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

	Note	2011 £	2010 £
Net cash flow from operating activities	12	(5,593)	(1,371)
Returns on investments and servicing of finance	13	(25)	(20)
Taxation		-	10,197
Acquisitions and disposals	13	1	-
(DECREASE)/INCREASE IN CASH IN THE YEAR		<u><u>(5,617)</u></u>	<u><u>8,806</u></u>

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

	2011 £	2010 £
(Decrease)/Increase in cash in the year	<u>(5,617)</u>	<u>8,806</u>
MOVEMENT IN NET DEBT IN THE YEAR	<u>(5,617)</u>	<u>8,806</u>
Net funds at 1 January 2011	<u>9,272</u>	<u>466</u>
NET FUNDS AT 31 DECEMBER 2011	<u><u>3,655</u></u>	<u><u>9,272</u></u>

The notes on pages 9 to 14 form part of these financial statements

GLEEDS INTERNATIONAL HOLDINGS LIMITED

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

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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

In previous years, the company has taken advantage of the exemption for companies subject to the small company regime from preparing consolidated financial statements under the terms of section 399 of the Companies Act 2006. During the previous year the company's subsidiary undertakings grew to the extent that the company is no longer subject to the small companies regime as the size of the group exceeded the criteria set out within section 383 of the Companies Act 2006 for the last two years.

However, whilst the directors have taken steps to ascertain the amounts that would be required to be included in the consolidated financial statements, incorporating the financial information from the company's various subsidiaries, including comparatives and opening balance sheet, it has not proved possible to compile this information without undue delay.

Consequently the directors have decided not to prepare consolidated financial statements for the year ended 31 December 2011, but will take all necessary actions to ensure that they will be in a position to do so for the year ending 31 December 2012.

As a result, these financial statements present information about the company as an individual undertaking and not about its group.

1.2 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

1.3 Foreign currencies

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

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

Exchange gains and losses are recognised in the Profit and loss account.

1.4 Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

GLEEDS INTERNATIONAL HOLDINGS LIMITED

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

2. OPERATING LOSS

The operating loss is stated after charging

	2011 £	2010 £
Auditors' remuneration	<u>3,500</u>	<u>7,000</u>

During the year, no director received any emoluments (2010 - £NIL)

3 INTEREST PAYABLE

	2011 £	2010 £
On bank loans and overdrafts	<u>25</u>	<u>20</u>

4. TAXATION

	2011 £	2010 £
UK corporation tax charge/(credit) on loss for the year	<u>-</u>	<u>(10,197)</u>

Factors affecting tax charge for the year

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

	2011 £	2010 £
Loss on ordinary activities before tax	<u>(5,025)</u>	<u>(8,732)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 26.49% (2010 - 28%)	(1,331)	(2,445)
Effects of:		
Adjustments to tax charge in respect of prior periods	-	(10,197)
Other timing differences leading to an increase (decrease) in taxation	<u>1,331</u>	<u>2,445</u>
Current tax charge/(credit) for the year (see note above)	<u>-</u>	<u>(10,197)</u>

Factors that may affect future tax charges

From 1 April 2011 the rate of corporation tax was reduced to 26.0%. Subsequently from April 2012, the rate of corporation tax was reduced to 24.0%. It is further proposed to reduce the rate by 1% on 1 April 2013, although this change has not yet been substantively enacted

GLEEDS INTERNATIONAL HOLDINGS LIMITED

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

5 FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2011	327,427
Disposals	(1)
At 31 December 2011	327,426
Net book value	
At 31 December 2011	327,426
At 31 December 2010	327,427

Subsidiary undertakings

The following were subsidiary undertakings of the company

Name	Class of shares	Holding
Gleeds International Limited	Ordinary	100%
Gleeds Americas Holdings Limited	Ordinary	100%
Gleeds Middle East Limited	Ordinary	100%
Gleeds Asia Pacific Holdings Limited	Ordinary	100%

Name	Business	Country of incorporation
Gleeds International Limited	Cost management consultancy	England
Gleeds Americas Holdings Limited	Holding company	England
Gleeds Middle East Limited	Holding company	England
Gleeds Asia Pacific Holdings Limited	Holding company	England

The aggregate of the share capital and reserves as at 31 December 2011 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows

Name	Aggregate of share capital and reserves £	Profit/(loss) £
Gleeds International Limited	1	-
Gleeds Americas Holdings Limited	326,424	-
Gleeds Middle East Limited	1	-
Gleeds Asia Pacific Holdings Limited	1,000	-

GLEEDS INTERNATIONAL HOLDINGS LIMITED

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

6 DEBTORS

	2011 £	2010 £
Other debtors	1,162	570
	<u>1,162</u>	<u>570</u>

**7. CREDITORS.
Amounts falling due within one year**

	2011 £	2010 £
Other creditors	3	4
Accruals and deferred income	5,500	5,499
	<u>5,503</u>	<u>5,503</u>

**8. CREDITORS.
Amounts falling due after more than one year**

	2011 £	2010 £
Amounts owed to group undertakings	420,095	420,096

9. SHARE CAPITAL

	2011 £	2010 £
Authorised		
250 ordinary 'A' shares of £1 each	250	250
250 ordinary 'B' shares of £1 each	250	250
250 ordinary 'C' shares of £1 each	250	250
250 ordinary 'D' shares of £1 each	250	250
	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid		
52 ordinary 'A' shares of £1 each	52	52
52 ordinary 'B' shares of £1 each	52	52
52 ordinary 'C' shares of £1 each	52	52
52 ordinary 'D' shares of £1 each	52	52
	<u>208</u>	<u>208</u>

GLEEDS INTERNATIONAL HOLDINGS LIMITED

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

10. RESERVES

	Share premium account £	Profit and loss account £
At 1 January 2011	950	(89,488)
Loss for the year		(5,025)
	<u>950</u>	<u>(94,513)</u>
At 31 December 2011	<u>950</u>	<u>(94,513)</u>

11. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' DEFICIT

	2011 £	2010 £
Opening shareholders' deficit	(88,330)	(89,795)
(Loss)/profit for the year	(5,025)	1,465
	<u>(93,355)</u>	<u>(88,330)</u>
Closing shareholders' deficit	<u>(93,355)</u>	<u>(88,330)</u>

12. NET CASH FLOW FROM OPERATING ACTIVITIES

	2011 £	2010 £
Operating loss	(5,000)	(8,712)
(Increase)/decrease in debtors	(593)	1,842
Increase in creditors	-	5,499
	<u>(5,593)</u>	<u>(1,371)</u>
Net cash outflow from operating activities	<u>(5,593)</u>	<u>(1,371)</u>

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

	2011 £	2010 £
Returns on investments and servicing of finance		
Interest paid	(25)	(20)
	<u>-</u>	<u>-</u>
	<u>2011</u>	<u>2010</u>
	£	£
Acquisitions and disposals		
Sale of fixed asset investments	1	-
	<u>1</u>	<u>-</u>

GLEEDS INTERNATIONAL HOLDINGS LIMITED

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

14. ANALYSIS OF CHANGES IN NET DEBT

	1 January 2011 £	Cash flow £	Other non-cash changes £	31 December 2011 £
Cash at bank and in hand	9,272	(5,617)	-	3,655
Net funds	<u>9,272</u>	<u>(5,617)</u>	<u>-</u>	<u>3,655</u>

15. RELATED PARTY TRANSACTIONS

At the year end the company owed £420,095 (2010 - £420,096) to Gleeds (Head Office), a partnership
This represents loans acquired to fund investments purchased by the company

16. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is Gleeds (Head Office), a partnership, which has a principal place of
business at 95 New Cavendish Street, London, W1W 6XF