

Registered number 06213613

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GLEEDS INTERNATIONAL LIMITED

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

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GLEEDS INTERNATIONAL LIMITED

CONTENTS

	Page
Directors and Advisers	1
Directors' Report	2 - 4
Independent Auditors' Report to the members of Gleeds International Limited	5 - 6
Profit and Loss Account	7
Balance Sheet	8
Notes to the Financial Statements	9 - 11

GLEEDS INTERNATIONAL LIMITED

DIRECTORS AND ADVISERS

DIRECTORS

R P Steer
M J Rowley
S M Dicks
C N Smith
J Hyett
I Miller (appointed 19 December 2011)
P Dampier (appointed 3 September 2012)

COMPANY SECRETARY

N E J Hampson

COMPANY NUMBER

06213613

REGISTERED OFFICE

95 New Cavendish Street
London
W1W 6XF

INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
31 Great George Street
Bristol
BS1 5QD

BANKERS

Lloyds TSB Plc
P O Box 100
BX1 1LT

SOLICITORS

Freeth Cartwright LLP
Cumberland Court
80 Mount Street
Nottingham
NG1 6HH

GLEEDS INTERNATIONAL LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2011

The directors present their report and the audited financial statements for the year ended 31 December 2011 for Gleeds International Limited ("the Company")

PRINCIPAL ACTIVITY

The principal activity of the Company in the financial year under review was that of providing quantity surveying and project management services

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

The directors are satisfied with the results for the financial year and with the state of the Company's affairs at 31 December 2011. The directors do not foresee any significant changes in the Company's principal activity in the future.

The Company is the trustee shareholder for 46.67% of the issued share capital of Gleeds Romania s r l, a company registered in Romania, and 1% of the issued share capital of Gleeds Ceska Republika s r o, a company registered in the Czech Republic. The shares of these two companies are held on trust for the partnership Gleeds UK. As these shares are held on trust for the benefit of Gleeds UK, they are not recognised in these financial statements.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £NIL (2010 - £NIL)

The directors do not propose a dividend for the financial year (2010 £nil)

DIRECTORS AND THEIR INTERESTS

The directors who served during the year and up to the date of signing the financial statements were

R P Steer
M J Rowley
S M Dicks
C N Smith
J Hyett
I Miller (appointed 19 December 2011)
P Dampier (appointed 3 September 2012)

The whole of the share capital of the Company is owned by Gleeds International Holdings Limited (registered number 03082140) and Mr R P Steer and I Miller are also directors of that company.

The Company has no direct employees (2010 none)

PRINCIPAL RISKS AND UNCERTAINTIES

The management of the business and the execution of the Company's strategy are subject to a number of risks. The key identified business risk is considered to be the state of the construction and real estate markets in the countries in which it operates and which continue to be monitored closely by the directors.

GLEEDS INTERNATIONAL LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2011

MANAGEMENT OF FINANCIAL RISKS

The Company's operations expose it to a variety of financial risks, including the effect of credit risk, liquidity risk and interest rate risk. The policies in place to mitigate the potential impact of these financial risks are as follows:

Where appropriate, credit checks are made prior to the invitation of trading with a new customer and these are reviewed on a periodic basis together with ongoing checks in respect of existing customers. Weekly reviews of the debtor's ledger are carried out with the financial and sales teams and action initiated, as appropriate, to collect any overdue amounts, thus optimising the Company's liquidity position.

The rate of interest earned/paid on the Company's cash balances/loans and overdrafts are monitored on an ongoing basis by continuing review of rates available in the market. Deposits, loans and overdrafts are made with reference to these rates, in conjunction with projections of future cash requirements.

The Company has flexible credit terms from its main supplier thereby allowing the directors to manage the Company's working capital requirements.

KEY PERFORMANCE INDICATORS (KPIs)

Given the straightforward nature of the business, the Company's directors are of the opinion that analysis using KPI's is not necessary for an understanding of the development, performance or position of the business.

GOING CONCERN

The directors are satisfied that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the directors continue to adopt the going concern basis in preparing these financial statements. The partners of the Company's ultimate controlling parties have informed the Company that it is their intention to continue to trade with the Company and to provide the Company with sufficient funds for at least 12 months from the date of signing the financial statements to enable it to meet its liabilities as they fall due and carry on its business without curtailment of operations.

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 prepared 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.

GLEEDS INTERNATIONAL LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2011

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

INDEPENDENT AUDITORS

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

SMALL COMPANY PROVISIONS

This report is prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006

This report was approved by the board on 26 September 2012 and signed on its behalf



R P Steer
Director

GLEEDS INTERNATIONAL LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GLEEDS INTERNATIONAL LIMITED

We have audited the financial statements of Gleeds International Limited for the year ended 31 December 2011 which comprise 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).

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 3, 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.

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.

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 and Financial Statements 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.

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 December 2011 and of its result 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.

GLEEDS INTERNATIONAL LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GLEEDS INTERNATIONAL 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, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' Report



Colin Bates (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Bristol

27 September 2012

GLEEDS INTERNATIONAL LIMITED

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

	Note	2011 £	2010 £
TURNOVER	1	2,203,420	993,011
Cost of sales		<u>(2,203,420)</u>	<u>(993,011)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		-	-
Tax on profit on ordinary activities		<u>-</u>	<u>-</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		-	-
PROFIT BROUGHT FORWARD		<u>-</u>	<u>-</u>
RETAINED PROFIT CARRIED FORWARD		<u>-</u>	<u>-</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 above and therefore no separate statement of total recognised gains and losses has been presented

There is no material difference between the profit on ordinary activities before taxation and the retained profit for the years stated above and their historical cost equivalents

The notes on pages 9 to 11 form part of these financial statements

GLEEDS INTERNATIONAL LIMITED
REGISTERED NUMBER· 06213613

BALANCE SHEET
AS AT 31 DECEMBER 2011

	Note	£	2011 £	£	2010 £
FIXED ASSETS					
Investments	3		286		286
CURRENT ASSETS					
Debtors	4	1,415,796		399,601	
CREDITORS amounts falling due within one year	5	<u>(1,416,008)</u>		<u>(399,813)</u>	
NET CURRENT LIABILITIES			<u>(212)</u>		<u>(212)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>74</u>		<u>74</u>
CREDITORS amounts falling due after more than one year	6		<u>(73)</u>		<u>(73)</u>
NET ASSETS			<u><u>1</u></u>		<u><u>1</u></u>
CAPITAL AND RESERVES					
Called up share capital	7		<u>1</u>		<u>1</u>
TOTAL SHAREHOLDERS' FUNDS	8		<u><u>1</u></u>		<u><u>1</u></u>

This report has been prepared in accordance with the special provisions of the Companies Act 2006 small companies' regime

The financial statements on pages 7 - 11 were approved and authorised for issue by the board and were signed on its behalf on 26 September 2012



R P Steer
 Director

GLEEDS INTERNATIONAL 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 on a going concern basis, under the historical cost convention, in accordance with the Companies Act 2006, the special provision of the Companies Act 2006 small companies regime and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

1.2 Cash flow

The Company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small Company.

1.3 Turnover

Turnover represents the value of consideration receivable, excluding Value Added Tax, for services provided to customers. In respect of long term contracts turnover represents the value of work executed during the financial year.

1.4 Fixed asset investments

Fixed asset investments held as fixed assets are shown at cost less provision for impairment.

1.5 Amounts recoverable on contracts

The company accounts for long term contracts in accordance with SSAP 9, 'Stocks and long term contracts'. In accordance with SSAP 9 'Stocks and long term contracts' amounts recoverable on contracts have been included within debtors.

Amounts recoverable on contracts, which are included in debtors, are stated at cost plus attributable profit less any foreseeable losses. Payments received on account of contracts are deducted from amounts recoverable on contracts in debtors. Where such amounts have been received and exceed amounts recoverable the net amounts are included in creditors.

1.6 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.

2. OPERATING PROFIT

The company has no employees. The directors' remuneration was paid by the Gleeds Partnerships which make no recharge to the company. The directors are also employees or Partners in the Gleeds Partnership, and it is not possible to make an accurate apportionment of their emoluments in respect of each subsidiary. Accordingly, the above details include no emoluments in respect of the directors.

The auditors remuneration is paid by other group companies.

GLEEDS INTERNATIONAL LIMITED

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

3. FIXED ASSET INVESTMENTS

	<i>Investments in subsidiary companies £</i>
Cost or valuation	
At 1 January 2011 and 31 December 2011	<u>286</u>
Net book value	
At 31 December 2011	<u>286</u>
At 31 December 2010	<u>286</u>

As at 31 December 2011 the fixed asset investments represented the acquisition cost of 1% of the issued share capital of Gleeds Construction Consultancy Egypt SAE, a company incorporated in Egypt. Gleeds Construction Consultancy Egypt SAE began trading in 2010. The amount of its capital at 31 December 2011 was 250,000 (2010 250,000) Egyptian Pounds of which 62,500 (2010 62,500) Egyptian Pounds was paid up by 31 December 2011. The £ EGP exchange rate at 31 December 2011 was 8.7. The directors believe that the carrying value of the investments is supported by the underlying net assets.

4 DEBTORS

	2011 £	2010 £
Trade debtors	1,280,867	344,823
Other debtors	134,929	54,778
	<u>1,415,796</u>	<u>399,601</u>

5. CREDITORS.

Amounts falling due within one year

	2011 £	2010 £
Bank overdrafts	-	1
Amounts owed to related parties	1,137,636	399,599
Other creditors	213	213
Deferred income	278,159	-
	<u>1,416,008</u>	<u>399,813</u>

GLEEDS INTERNATIONAL LIMITED

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

6 CREDITORS Amounts falling due after more than one year

	2011 £	2010 £
Amounts owed to related parties	<u>73</u>	<u>73</u>

7 CALLED UP SHARE CAPITAL

	2011 £	2010 £
Authorised 1,000 (2010 1,000) ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted and issued 1 (2010 1) ordinary share of £1	<u>1</u>	<u>1</u>

8 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2011 £	2010 £
Shareholders' funds at 1 January 2011 and 31 December 2011	<u>1</u>	<u>1</u>

9 RELATED PARTY TRANSACTIONS

During the financial year, the Company acquired services from one of the controlling partnerships, Gleeds UK (see note 10), amounting to £2,200,290 (2010 £393,294)

At the year end the Company owed £1,137,636 (2010 £399,672) to Gleeds UK

At the year end the Company was owed £nil (2010 £nil) from Gleeds UK

10 ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The whole of the issued share capital of the Company is owned by Gleeds International Holdings Limited (registered number 03082140). The two partnerships of Gleeds (Head Office) and Gleeds UK own and control 100% of the total issued share capital of Gleeds International Holdings Limited and are therefore the ultimate controlling parties of Gleeds International Limited.