

Company Registration No 1575164 (England and Wales)

JOHN SHREEVES & PARTNERS LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009



JOHN SHREEVES & PARTNERS LIMITED

COMPANY INFORMATION

Directors	IE Richter DL Richter
Secretary	W Dengler
Company number	1575164
Registered office	1 London Bridge London United Kingdom SE1 9BG
Auditors	Baker Tilly UK Audit LLP 2 Bloomsbury Street London WC1B 3ST

JOHN SHREEVES & PARTNERS LIMITED

CONTENTS

	Page
Directors' report	1 - 2
Independent auditors' report	3
Profit and loss account	4
Balance sheet	5
Notes to the financial statements	6 - 14

JOHN SHREEVES & PARTNERS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2009

The directors present their report and financial statements for the year ended 31 December 2009

Principal activities

The principal activity of the company is that of project management and surveying services

On 16th June 2009, the Company's immediate parent John Shreeves Holdings Limited, sold its shareholding in the company to its immediate parent company, Hill International (UK) Limited

On 31 December 2009 the company transferred the majority of its trade and assets to its immediate parent company, Hill International (UK) Limited. Some contracts that weren't transferred in this transaction, remain and will be traded out over the next twelve months. The transfer took place at book value, which was not considered to be materially different to fair value, which resulted in a consideration of £36,153, satisfied by an intercompany loan.

The key performance indicators of the Company are considered to be turnover and operating profit

Turnover

For the year to 31 December 2009, turnover has reduced from £2,080,239 in 2008 to £1,696,348

Loss on ordinary activities before interest and tax

For the year to 31 December 2009 the Company has seen a loss before interest and tax of £842,007 (2008 £576,300)

In assessing the company's ability to generate profits and positive cashflows in the future, the directors utilise internal forecasting and backlog information, in addition to giving consideration to external market conditions and trends.

Based on their review and the continued support of its ultimate parent undertaking Hill International Inc., the directors have concluded that they have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Directors

The following directors have held office since 1 January 2009

J Sipsma	(Resigned 30 January 2010)
G Welfare	(Resigned 12 March 2010)
G Shreeves	(Resigned 14 December 2009)
C J Swinger	(Resigned 14 December 2009)
E J Lawrence	(Resigned 4 August 2009)
G Wisbey	(Resigned 30 August 2010)
IE Richter	
DL Richter	

Auditors

Baker Tilly UK Audit LLP, Chartered Accountants, have expressed their willingness to continue in office

JOHN SHREEVES & PARTNERS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2009

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 those financial statements, the directors are required to

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

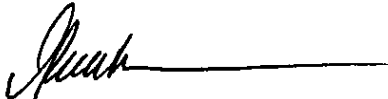
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies 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.

Statement of disclosure to auditors

The directors who were in office on the date of approval of these financial statements have confirmed that as far as they are aware, there is no relevant audit information of which the auditors are unaware. Each of the directors has confirmed that they have taken all steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated with the auditor.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



IE Richter

Director

27 September 2010

JOHN SHREEVES & PARTNERS LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF JOHN SHREEVES & PARTNERS LIMITED

We have audited the financial statements of John Shreeves & Partners Limited for the year ended 31 December 2009 set out on pages 4 to 14

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 the directors and auditors

As more fully explained in the Directors' Responsibilities Statement set out on page 2, 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 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 (APB's) Ethical Standards for Auditors.

Scope of the audit

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/UKNP

Opinion on the 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 2009 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

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
- the director was not entitled to prepare the director's report in accordance with the small companies regime

Baker Tilly UK Audit LLP

Euan Banks (Senior Statutory Auditor)

For and on behalf of Baker Tilly UK Audit LLP, Statutory Auditor

Chartered Accountants

2 Bloomsbury Street

London

WC1B 3ST 30th September 2010

JOHN SHREEVES & PARTNERS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2009

	Notes	2009 £	2008 £
Turnover	2	1,696,348	2,080,239
Cost of sales		(1,453,169)	(1,697,116)
Gross profit		243,179	383,123
Administrative expenses		(967,044)	(946,414)
Other operating income		(119,076)	(12,258)
Operating loss	3	(842,941)	(575,549)
Profit/(loss) on sale of tangible assets		934	(751)
Loss on ordinary activities before interest		(842,007)	(576,300)
Other interest receivable and similar income	4	-	281
Interest payable and similar charges	5	(5,715)	(12,334)
Loss on ordinary activities before taxation		(847,722)	(588,353)
Tax on loss on ordinary activities	6	(2,434)	104,164
Loss for the year	13	(850,156)	(484,189)

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

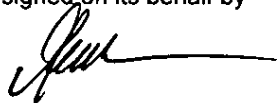
JOHN SHREEVES & PARTNERS LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2009

	Notes	2009 £	£	2008 £	£
Fixed assets					
Tangible assets	7		-		111,529
Current assets					
Debtors	8	468,924		888,882	
Cash at bank and in hand		41,706		81,412	
		<u>510,630</u>		<u>970,294</u>	
Creditors amounts falling due within one year	9	<u>(1,423,479)</u>		<u>(1,081,257)</u>	
Net current liabilities			<u>(912,849)</u>		<u>(110,963)</u>
Total assets less current liabilities			<u>(912,849)</u>		<u>566</u>
Creditors amounts falling due after more than one year	10		-		(63,259)
			<u>(912,849)</u>		<u>(62,693)</u>
Capital and reserves					
Called up share capital	12		1,000		1,000
Profit and loss account	13		<u>(913,849)</u>		<u>(63,693)</u>
Shareholders' funds	14		<u>(912,849)</u>		<u>(62,693)</u>

The financial statements were approved by the Board and authorised for issue on 27 September 2010 and signed on its behalf by



IE Richter
Director

Company registration No: 1575164

JOHN SHREEVES & PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2009

1 Accounting policies

1.1 Basis of preparation

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

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements

Despite net current liabilities and net liabilities of £912,849, the directors have prepared the accounts on a going concern basis, since the company has the continued support of its ultimate parent undertaking, Hill International Inc

1.2 Cash flow

The company is exempt from preparing a cashflow statement under FRS1 (revised) as it is a wholly owned subsidiary of Hill International Inc which prepares consolidated financial statements

1.3 Turnover

Turnover represents the amounts (excluding value added tax) recorded as turnover in respect of amounts recoverable on contracts, and amounts earned to date on other work to the extent that the Company has obtained the right to consideration

Invoices are rendered in accordance with an agreed timetable and in certain cases the relevant work may be performed after the date of the invoice

1.4 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land 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

Fixtures, fittings & equipment	- 33% to 50% straight line
Motor vehicles	- 33% to 50% straight line

The carrying values of tangible fixed assets are reviewed for impairment, in periods where events of changes in circumstances indicate that the carrying value may not be recoverable

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 to the profit and loss account on a straight line basis over the lease term

JOHN SHREEVES & PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2009

1 Accounting policies

(continued)

1.6 Long term contracts

Long term contracts are assessed on a contract by contract basis and where the outcome of a project can be estimated with reasonable certainty, revenue and costs are recognised in the accounts according to the level of completion. If it is anticipated that a contract will be loss making, all of the loss is recognised as soon as it is foreseen.

Amounts recoverable on long term contracts, which are included in debtors, are stated at the net sales value of the work done after provision for contingencies and anticipated future losses on contracts, less amounts received as progress payments on account. Excess progress payments are included in creditors as payments on account.

1.7 Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

1.8 Deferred taxation

Deferred taxation is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS19. Deferred taxation

Deferred tax assets are recognised to the extent that it is regarded as more likely than not, that they will be recovered.

1.9 Foreign currency transactions

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the contracted rate or the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

2 Turnover

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

JOHN SHREEVES & PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2009

3	Operating loss	2009	2008
		£	£
	Operating loss is stated after charging		
	Depreciation on tangible fixed assets		
	- Owned	9,347	10,082
	- Leased	27,574	37,943
	Operating lease rentals		
	- Plant and machinery	-	472
	- Other assets	-	26,900
	Auditors' remuneration	18,032	18,000
	Other auditor services relating to taxation	8,791	3,000
		<u> </u>	<u> </u>
4	Investment income	2009	2008
		£	£
	Bank interest	-	281
		<u> </u>	<u> </u>
		-	281
		<u> </u>	<u> </u>
5	Interest payable	2009	2008
		£	£
	Hire purchase interest	5,715	11,874
	Other interest	-	460
		<u> </u>	<u> </u>
		5,715	12,334
		<u> </u>	<u> </u>

JOHN SHREEVES & PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2009

6	Taxation	2009 £	2008 £
	Domestic current year tax		
	U K corporation tax	-	(104,164)
	Adjustment for prior years	2,434	-
	Current tax charge	<u>2,434</u>	<u>(104,164)</u>
	Factors affecting the tax charge for the year		
	Loss on ordinary activities before taxation	<u>(847,722)</u>	<u>(588,353)</u>
	Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 28.00% (2008 - 28.50%)	<u>(237,362)</u>	<u>(167,681)</u>
	Effects of		
	Non deductible expenses	5,373	7,856
	Capital allowances in excess of depreciation	5,374	(3,485)
	Group Relief	234,252	10,308
	Tax losses carried forward	-	45,594
	Tax rate difference on loss carried back	-	5,685
	Under accrual in prior year	2,434	-
	Other tax adjustments	<u>(7,637)</u>	<u>(2,441)</u>
		<u>239,796</u>	<u>63,517</u>
	Current tax charge	<u>2,434</u>	<u>(104,164)</u>

JOHN SHREEVES & PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2009

7 Tangible fixed assets

	Motor Vehicles	Fixtures, fittings & equipment	Total
	£	£	£
Cost			
At 1 January 2009	153,497	376,557	530,054
Disposals	(37,500)	-	(37,500)
Transfer to group company	(115,997)	(376,557)	(492,554)
At 31 December 2009	-	-	-
Depreciation			
At 1 January 2009	57,004	361,521	418,525
On disposals	(22,500)	-	(22,500)
Transfer to group company	(62,078)	(370,868)	(432,946)
Charge for the year	27,574	9,347	36,921
At 31 December 2009	-	-	-
Net book value			
At 31 December 2009	-	-	-
At 31 December 2008	96,493	15,036	111,529

Included above are assets held under finance leases or hire purchase contracts as follows

	Motor vehicles £
Net book values	
At 31 December 2009	-
At 31 December 2008	96,493
Depreciation charge for the year	
At 31 December 2009	27,574
At 31 December 2008	37,943

JOHN SHREEVES & PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2009

8 Debtors	2009 £	2008 £
Trade debtors	192,790	306,791
Amounts recoverable on long term contracts	146,715	83,107
Amounts owed by parent and fellow subsidiary undertakings	25,341	257,014
Corporation tax	104,078	104,078
Other debtors	-	44,691
Prepayments and accrued income	-	93,201
	<u>468,924</u>	<u>888,882</u>
9 Creditors, amounts falling due within one year	2009 £	2008 £
Net obligations under hire purchase contracts	-	43,351
Trade creditors	-	12,669
Amounts owed to parent and fellow subsidiary undertakings	1,358,090	730,572
Corporation tax	-	19,340
Other taxes and social security costs	-	69,384
Other creditors	-	29
Accruals and deferred income	65,389	205,912
	<u>1,423,479</u>	<u>1,081,257</u>
10 Creditors, amounts falling due after more than one year	2009 £	2008 £
Net obligations under hire purchase contracts	-	63,259
Net obligations under hire purchase contracts		
Repayable within one year	-	49,067
Repayable between one and five years	-	65,777
	-	114,844
Finance charges and interest allocated to future accounting periods	-	(8,234)
	-	106,610
Included in liabilities falling due within one year	-	(43,351)
	-	63,259

JOHN SHREEVES & PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2009

11 Pension and other post-retirement benefit commitments Defined contribution

	2009 £	2008 £
Contributions payable by the company for the year	39,406	65,384

At the balance sheet date the company had outstanding pension contributions payable of £5,846 (2008 - £9,658)

12 Share capital	2009 £	2008 £
Authorised		
1,000 Ordinary Shares of £1 each	1,000	1,000
Allotted, called up and fully paid		
1,000 Ordinary Shares of £1 each	1,000	1,000

13 Reserves

	Profit and loss account £
Balance at 1 January 2009	(63,693)
Loss for the year	(850,156)
Balance at 31 December 2009	(913,849)

14 Reconciliation of movements in shareholders' funds

	2009 £	2008 £
Loss for the financial year	(850,156)	(484,189)
Opening shareholders' (deficit)/funds	(62,693)	421,496
Closing shareholders' (deficit)	(912,849)	(62,693)

JOHN SHREEVES & PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2009

15 Directors' emoluments	2009 £	2008 £
Emoluments for qualifying services	687,193	596,879
Company pension contributions to money purchase schemes	29,801	35,196
	<u>716,994</u>	<u>632,075</u>

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 6 (2008 - 6)

Emoluments disclosed above include the following amounts paid to the highest paid director

Emoluments for qualifying services	142,811	103,098
Company pension contributions to money purchase schemes	<u>6,957</u>	<u>2,738</u>

16 Employees

Number of employees

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

	2009 Number	2008 Number
Fee earners	15	20
Administrators	<u>5</u>	<u>5</u>
	<u>20</u>	<u>25</u>

Employment costs

	Year to 31 Dec 2009 £	Year to 31 Dec 2008 £
Wages and salaries	1,300,542	1,507,998
Social security costs	142,645	114,320
Other pension costs	<u>39,406</u>	<u>65,384</u>
	<u>1,482,593</u>	<u>1,687,702</u>

JOHN SHREEVES & PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2009

17 Control

The company is a wholly owned subsidiary undertaking of Hill International (UK) Limited, a company registered in England and Wales

The ultimate controlling party is Hill International Inc, a company incorporated in the United States of America, who own 100% of the share capital. The largest and smallest group for which consolidated accounts have been drawn up is that headed by Hill International Inc

The consolidated accounts for Hill International Inc can be obtained from the following address

303 Lippincott Centre
Marlton
Marlton
NJ 08053
USA

18 Related party transactions

The company has taken advantage of the exemption conferred by Financial Reporting Standard No 8 not to disclose transactions with entities as it is a 100% owned subsidiary included in the consolidated accounts that are publicly available

There have been no other related party transactions during the period that require disclosure