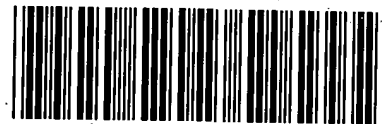


Registered number: 05759393

**LINDNER FACADES LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

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**LINDNER FACADES LIMITED**

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**COMPANY INFORMATION**

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**DIRECTORS**

M English  
D B Whillans  
P Jackson  
R Unwin

**COMPANY SECRETARY**

D B Whillans

**REGISTERED NUMBER**

05759393

**REGISTERED OFFICE**

317 Putney Bridge Road  
London  
SW15 2PG

**INDEPENDENT AUDITORS**

MHA MacIntyre Hudson  
New Bridge Street House  
30-34 New Bridge Street  
London  
EC4V 6BJ

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**LINDNER FACADES LIMITED**

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**CONTENTS**

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	Page
<b>Strategic report</b>	1
<b>Directors' report</b>	2 - 3
<b>Independent auditors' report</b>	4 - 5
<b>Statement of comprehensive income</b>	6
<b>Balance sheet</b>	7
<b>Statement of changes in equity</b>	8 - 9
<b>Notes to the financial statements</b>	10 - 26
The following pages do not form part of the statutory financial statements:	
<b>Detailed profit and loss account and summaries</b>	27 - 30

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## LINDNER FACADES LIMITED

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### STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2015

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#### BUSINESS REVIEW

Turnover for 2015 was £37,091,764 (2014: £36,322,418) 2% higher than 2014.

The Operating losses for 2015 and 2014 were due wholly to problems on a contract in Saudi Arabia. Operating profits of £607,841 in 2015 and £1,725,081 in 2014 were achieved from activities outside the Middle East.

The order backlog at 31 December 2015 was in excess of £67m (2014: £49m) and is now in excess of £100m, the highest in the Company's history. With this amount of work already won the Directors expect turnover to be in excess of £40 million for 2016 increasing to £50m in 2017.

#### PRINCIPAL RISKS AND UNCERTAINTIES

Lindner Facades Limited is managed in accordance with the risk principles adopted by the Lindner Group. The company strives through rigorous management review of its key performance indicators, to increase and improve its capability and competence through constant innovation and continuous improvement.

The company focuses on:

- Customer satisfaction
- Health and safety
- Environmental improvement
- Sales growth, project and company "profitability"
- Growth and improvement in people capability through continuous education and communication
- Strong financial and commercial management through sound contractual agreement review and working in partnership with our customers and suppliers.

The risks associated with the management on fixed price construction contracts are well known and minimised through professional management. In addition the company has exposure to exchange rate fluctuations. This is managed by matching foreign currency costs to same currency income or by taking out of forward contracts with major financial institutions.

#### FINANCIAL KEY PERFORMANCE INDICATORS

The directors have monitored the progress of the company's strategic elements by reference to certain financial key performance indicators:

	2015	2014
Turnover growth	2%	6%
Order backlog	£67 million	£49 million
Cash at bank and in hand	£2.7 million	£2.2 million

#### SHARE CAPITAL INJECTION

On 21 December 2015 the parent company Lindner Fassaden GmbH, purchased a further £762,425 of share capital in Lindner Facades Limited.

This report was approved by the board on *12 August 2016* and signed on its behalf.



**D B Whillans**  
Director

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## **LINDNER FACADES LIMITED**

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### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2015**

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The directors present their report and the financial statements for the year ended 31 December 2015.

#### **DIRECTORS' RESPONSIBILITIES STATEMENT**

The directors are responsible for preparing the Strategic report, 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless 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; and
- 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 ACTIVITY**

The principal activity of the company in the year under review was that of the supply and installation of curtain walling and windows.

#### **RESULTS AND DIVIDENDS**

The loss for the year, after taxation, amounted to £4,855,116 (2014 - loss £7,365,268).

#### **DIRECTORS**

The directors who served during the year were:

M English  
D B Whillans  
P Jackson  
R Unwin

#### **ENVIRONMENTAL MATTERS**

The company recognises and accepts that concern for the environment is an integral and fundamental part of its business strategy and operating methods. The company's environmental policy is applicable in all its markets and meets the requirements of ISO 14001:2004.

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**LINDNER FACADES LIMITED**

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**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2015**

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**FUTURE DEVELOPMENTS**

The directors are aware of the competitive pressures in the market place and the impact of the wider economy on the construction industry which is becoming more buoyant. However, the directors feel the company is well placed to benefit from any return to growth.

**EMPLOYEE INVOLVEMENT**

Our future success in a highly competitive world depends upon our employees and the development of their abilities. It is our aim to provide a workplace that is free from discrimination, harassment and victimisation for the benefit of all and to ensure that all employees, job applicants, and customers are treated with dignity and respect.

**DISCLOSURE 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 relevant audit information and to establish that the company's auditors are aware of that information.


**POST BALANCE SHEET EVENTS**

There have been no significant events affecting the company since the year end.

**AUDITORS**

The auditors, MHA MacIntyre Hudson, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on *12 August 2016* and signed on its behalf.



**D B Whillans**  
Director

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**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF LINDNER FACADES LIMITED**

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We have audited the financial statements of Lindner Facades Limited for the year ended 31 December 2015, set out on pages 6 to 26. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practices), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 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 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 Financial Reporting Council'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 Strategic report and the Directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 2015 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 Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements and the directors' report has been prepared in accordance with applicable legal requirements.

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**LINDNER FACADES LIMITED**

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**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF LINDNER FACADES LIMITED**

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**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.

*MHA MacIntyre Hudson*

John Coverdale BSc FCA (Senior statutory auditor)

for and on behalf of  
**MHA MacIntyre Hudson**  
Chartered Accountants  
Statutory Auditors

New Bridge Street House  
30-34 New Bridge Street  
London  
EC4V 6BJ

Date: 30/8/2016



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**LINDNER FACADES LIMITED**

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**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2015**

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	Note	2015 £	2014 £
Turnover		37,091,764	36,322,418
Cost of sales		(40,424,809)	(40,963,134)
<b>Gross loss</b>		<b>(3,333,045)</b>	<b>(4,640,716)</b>
Administrative expenses		(2,315,332)	(3,217,622)
Other operating income		161,183	171,265
<b>Operating loss</b>		<b>(5,487,194)</b>	<b>(7,687,073)</b>
Interest receivable and similar income	9	53,969	42,960
Interest payable and expenses	10	(555,181)	(494,908)
<b>Loss on taxation</b>		<b>(5,988,406)</b>	<b>(8,139,021)</b>
Tax on loss	11	1,133,290	773,753
<b>Loss for the year</b>		<b>(4,855,116)</b>	<b>(7,365,268)</b>
<b>Other comprehensive income for the year</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b>(4,855,116)</b>	<b>(7,365,268)</b>

The notes on pages 10 to 26 form part of these financial statements.

**LINDNER FACADES LIMITED**  
**REGISTERED NUMBER:05759393**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2015**

	Note	2015 £	2014 £
<b>Fixed assets</b>			
Tangible assets	13	699,604	813,658
		<u>699,604</u>	<u>813,658</u>
<b>Current assets</b>			
Stocks	15	24,291	28,294
Debtors	16	30,546,040	22,626,509
Cash at bank and in hand	17	2,707,622	2,199,977
		<u>33,277,953</u>	<u>24,854,780</u>
Creditors: amounts falling due within one year	18	(30,624,725)	(10,188,238)
<b>Net current assets</b>		<u>2,653,228</u>	<u>14,666,542</u>
<b>Total assets less current liabilities</b>		<u>3,352,832</u>	<u>15,480,200</u>
Creditors: amounts falling due after more than one year	19	(675,000)	(8,709,677)
<b>Net assets</b>		<u><u>2,677,832</u></u>	<u><u>6,770,523</u></u>
<b>Capital and reserves</b>			
Called up share capital	21	31,500,000	30,737,575
Profit and loss account		<u>(28,822,168)</u>	<u>(23,967,052)</u>
		<u><u>2,677,832</u></u>	<u><u>6,770,523</u></u>

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

12 August 2016



**D B Whillans**  
 Director



**R Unwin**  
 Director

The notes on pages 10 to 26 form part of these financial statements.

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**LINDNER FACADES LIMITED**

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**STATEMENT OF CHANGES IN EQUITY  
AS AT 31 DECEMBER 2015**

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	Share capital £	Retained earnings £	Total equity £
At 1 January 2015	30,737,575	(23,967,052)	6,770,523
Loss for the year	-	(4,855,116)	(4,855,116)
<b>Total comprehensive income for the year</b>	-	(4,855,116)	(4,855,116)
<b>Contributions by and distributions to owners</b>			
Shares issued during the year	762,425	-	762,425
<b>Total transactions with owners</b>	762,425	-	762,425
<b>AT 31 December 2015</b>	<b>31,500,000</b>	<b>(28,822,168)</b>	<b>2,677,832</b>

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**LINDNER FACADES LIMITED**

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**STATEMENT OF CHANGES IN EQUITY  
AS AT 31 DECEMBER 2014**

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	Share capital £	Retained earnings £	Total equity £
At 1 January 2014	11,000,000	(16,601,784)	(5,601,784)
Loss for the year	-	(7,365,268)	(7,365,268)
<b>Total comprehensive income for the year</b>	-	(7,365,268)	(7,365,268)
<b>Contributions by and distributions to owners</b>			
Shares issued during the year	19,737,575	-	19,737,575
<b>Total transactions with owners</b>	19,737,575	-	19,737,575
<b>AT 31 December 2014</b>	<b>30,737,575</b>	<b>(23,967,052)</b>	<b>6,770,523</b>

The notes on pages 10 to 26 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

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**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 and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

Information on the impact of first-time adoption of FRS 102 is given in note 27.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 2).

In assessing the appropriateness of the application of the going concern basis, the directors have considered the trading performance of the company, the available cash and the current intention of the parent company to provide financial support for at least 12 months from the date of approval of these financial statements.

The following principal accounting policies have been applied:

**1.2 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

**Rendering of services**

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably, and;
- the costs incurred and the costs to complete the contract can be measured reliably.

**1.3 Intangible assets**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed five years.

The estimated useful lives range as follows:

Goodwill	-	4	years
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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015

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**1. ACCOUNTING POLICIES (continued)**

**1.4 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimated useful lives range as follows:

The estimated useful lives range as follows:

L/Term Leasehold Property	-	10	years
Motor vehicles	-	4	years
Fixtures and fittings	-	5	years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the Statement of comprehensive income.

**1.5 Operating leases: Lessee**

Rentals paid under operating leases are charged to the profit or loss on a straight line basis over the period of the lease.

**1.6 Stocks**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

**1.7 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015

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1. ACCOUNTING POLICIES (continued)

1.8 Financial instruments

The company enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at transaction price and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Investments in non-convertible preference shares and in non-puttable ordinary and preference shares are measured:

- i) at fair value with changes recognised in Profit or loss if the shares are publicly traded or their fair value can otherwise be measured reliably;
- i) at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in Profit or loss.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

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**1. ACCOUNTING POLICIES (continued)**

**1.9 Government grants**

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to Profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in Profit or loss in the same period as the related expenditure.

**1.10 Foreign currency translation**

**Functional and presentation currency**

The company's functional and presentational currency is GBP.

**Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in Profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in Profit or loss within 'interest receivable or payable'. All other foreign exchange gains and losses are presented in Profit or loss within 'other operating income'.

**1.11 Finance costs**

Finance costs are charged to Profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**1.12 Pensions**

**Defined contribution pension plan**

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payments obligations.

The contributions are recognised as an expense in Profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the company in independently administered funds.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

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**1. ACCOUNTING POLICIES (continued)**

**1.13 Interest income**

Interest income is recognised in Profit or loss using the effective interest method.

**1.14 Borrowing costs**

All borrowing costs are recognised in Profit or loss in the year in which they are incurred.

**1.15 Taxation**

Tax is recognised in Profit or loss, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

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

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**1.16 Research and development**

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

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**2. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION  
UNCERTAINTY**

No significant judgements have been made by management in preparing these financial statements.

The directors have made key assumptions regarding the stage of completion, the future costs to complete and the collectibility of some construction contracts. The amounts receivable from customers on such contracts has been estimated at £19,695,166 and the amounts due to customers on such contracts have been estimated at £1,331,751.

**3. ANALYSIS OF TURNOVER**

	2015 £	2014 £
Revenue from construction contracts	37,091,764	36,322,418
	<u>37,091,764</u>	<u>36,322,418</u>

Analysis of turnover by country of destination:

	2015 £	2014 £
United Kingdom	26,823,636	24,031,898
Middle East	10,268,128	12,290,520
	<u>37,091,764</u>	<u>36,322,418</u>

**4. OTHER OPERATING INCOME**

	2015 £	2014 £
Sundry income	161,183	171,265
	<u>161,183</u>	<u>171,265</u>

**5. OPERATING LOSS**

The operating loss is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets	147,972	144,115
Auditors remuneration	24,000	24,000
Exchange differences	(1,015,792)	(799,445)
Defined contribution pension cost	352,198	210,388
Operating lease charges	147,773	168,257
	<u>147,773</u>	<u>168,257</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

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**6. AUDITORS' REMUNERATION**

	2015 £	2014 £
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	<u>24,000</u>	<u>24,000</u>

**7. EMPLOYEES**

Staff costs, including directors' remuneration, were as follows:

	2015 £	2014 £
Wages and salaries	3,005,491	3,086,189
Social security costs	386,948	349,440
Cost of defined contribution scheme	352,198	210,388
	<u>3,744,637</u>	<u>3,646,017</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2015 No.	2014 No.
Direct	49	56
Administration	13	14
	<u>62</u>	<u>70</u>

**8. DIRECTORS' REMUNERATION**

	2015 £	2014 £
Directors' emoluments	409,644	375,829
Company contributions to defined contribution pension schemes	43,536	64,539
	<u>453,180</u>	<u>440,368</u>

During the year retirement benefits were accruing to 3 directors (2014 - 3) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £135,726 (2014 - £111,928).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £14,736 (2014 - £30,938).

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

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**9. INTEREST RECEIVABLE**

	2015 £	2014 £
Other interest receivable	53,969	42,960
	<u>53,969</u>	<u>42,960</u>

**10. INTEREST PAYABLE AND SIMILAR CHARGES**

	2015 £	2014 £
Other loan interest payable	1,702	327
Other interest payable	553,479	494,581
	<u>555,181</u>	<u>494,908</u>

**11. TAXATION**

	2015 £	2014 £
<b>Corporation tax</b>		
Adjustments in respect of previous periods	-	124,745
Amounts receivable from fellow subsidiaries in respect of tax saved by group relief	(1,133,290)	(898,498)
<b>Total current tax</b>	<u>(1,133,290)</u>	<u>(773,753)</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

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**11. TAXATION (continued)****FACTORS AFFECTING TAX CHARGE FOR THE YEAR**

The tax assessed for the year is higher than (2014 - higher than) the standard rate of corporation tax in the UK of 20.25% (2014 - 21.5%). The differences are explained below:

	2015 £	2014 £
(Loss)/profit on ordinary activities before tax	<u>(5,988,406)</u>	<u>(8,139,021)</u>
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.25% (2014 - 21.5%)	<u>(1,212,652)</u>	<u>(1,749,890)</u>
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	(16,549)	3,362
Capital allowances for year in excess of depreciation	10,132	13,798
Losses surrendered to group companies	(1,133,290)	(898,498)
Prior year adjustments	-	124,745
Current year trading loss available for group relief	<u>1,219,069</u>	<u>1,732,730</u>
Total tax charge for the year	<u><u>(1,133,290)</u></u>	<u><u>(773,753)</u></u>

**FACTORS THAT MAY AFFECT FUTURE TAX CHARGES**

At 31 December 2015 there is a potential deferred tax asset of £2,841,353 representing trading losses of £14,206,764 (2014: £2,997,626 representing trading losses of £13,942,446). The deferred tax asset has not been recognised due to the uncertainty that future profits will arise against which the losses carried forward can be relieved.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015

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12. INTANGIBLE ASSETS

	Goodwill £
<b>COST</b>	
At 1 January 2015	355,253
At 31 December 2015	355,253
<b>AMORTISATION</b>	
At 1 January 2015	355,253
At 31 December 2015	355,253
<b>NET BOOK VALUE</b>	
At 31 December 2015	-
At 31 December 2014	-

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015

13. TANGIBLE FIXED ASSETS

	L/Term Leasehold Property £	Motor vehicles £	Fixtures and fittings £	Total £
<b>Cost</b>				
At 1 January 2015	1,013,446	18,900	320,179	1,352,525
Additions	10,000	18,500	5,418	33,918
Disposals	-	(4,500)	-	(4,500)
<b>At 31 December 2015</b>	<b>1,023,446</b>	<b>32,900</b>	<b>325,597</b>	<b>1,381,943</b>
<b>Depreciation</b>				
At 1 January 2015	264,693	4,783	269,391	538,867
Charge owned for the period	109,836	7,763	30,373	147,972
Disposals	-	(4,500)	-	(4,500)
<b>At 31 December 2015</b>	<b>374,529</b>	<b>8,046</b>	<b>299,764</b>	<b>682,339</b>
<b>At 31 December 2015</b>	<b>648,917</b>	<b>24,854</b>	<b>25,833</b>	<b>699,604</b>
AT 31 December 2014	748,753	14,117	50,788	813,658

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**LINDNER FACADES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

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**14. FIXED ASSET INVESTMENTS**

	Investments in subsidiary companies £
<b>Cost or valuation</b>	
At 1 January 2015	33,104
<b>At 31 December 2015</b>	<b>33,104</b>
<b>Impairment</b>	
At 1 January 2015	33,104
<b>At 31 December 2015</b>	<b>33,104</b>
<b>At 31 December 2015</b>	-
At 31 December 2014	-
<b>SUBSIDIARY UNDERTAKINGS</b>	

The following were subsidiary undertakings of the company:

Name	Country of incorporation	Class of shares	Holding	Principal activity
Lindner Facades Asia Pte Limited	Singapore	Ordinary	100 %	Dormant

The aggregate of the share capital and reserves as at 31 December 2015 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

	Aggregate of share capital and reserves £
Lindner Facades Asia Pte Limited	(801,409)



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**LINDNER FACADES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

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**15. STOCKS**

	2015 £	2014 £
Raw materials and consumables	24,291	28,294
	<u>24,291</u>	<u>28,294</u>

Stock recognised in cost of sales during the year as an expense was £26,920,868 (2015: £28,014,321).

**16. DEBTORS**

	2015 £	2014 £
<b>Due after more than one year</b>		
Other debtors	9,157	7,492
	<u>9,157</u>	<u>7,492</u>
<b>Due within one year</b>		
Trade debtors	2,367,732	3,620,069
Amounts owed by group undertakings	10,805,546	5,968,498
Other debtors	42,941	47,822
Prepayments and accrued income	188,345	166,147
Amounts recoverable on long term contracts	17,132,319	12,816,481
	<u>30,546,040</u>	<u>22,626,509</u>

Included within amounts owed by group undertakings are balances of £9,141,682 which are unsecured, carry interest at 2%, have no fixed date of repayment and are repayable on demand. The remaining balances of £1,663,864 are unsecured, interest free and repayable on demand.

**17. CASH AND CASH EQUIVALENTS**

	2015 £	2014 £
Cash at bank and in hand	2,707,622	2,199,977
Less: bank overdrafts	-	(46,905)
	<u>2,707,622</u>	<u>2,153,072</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

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**18. CREDITORS: Amounts falling due within one year**

	2015 £	2014 £
Bank overdrafts	-	46,905
Payments received on account	1,331,751	1,482,074
Trade creditors	2,726,206	1,127,824
Amounts owed to group undertakings	24,005,309	4,215,015
Taxation and social security	136,912	392,688
Other creditors	39,019	10,420
Accruals and deferred income	1,271,940	1,736,029
Derivative financial instruments	1,113,588	1,177,283
	<u>30,624,725</u>	<u>10,188,238</u>

Included in amounts due to group undertakings are balances due of £16,212,233 which carry interest at 3.8% and are repayable by 31.12.2016. In addition there are balances of £3,684,598 which carry interest at 3.639% and have been repaid subsequent to the year end. There is also an amount of £112,500, carrying interest at 1.5% repayable by 31.12.2016. The remaining balances of £3,995,978 are interest free and repayable on demand. All balances are unsecured.

**19. CREDITORS: Amounts falling due after more than one year**

	2015 £	2014 £
Amounts owed to group undertakings	675,000	8,709,677
	<u>675,000</u>	<u>8,709,677</u>

Loans included within amounts owed to group undertakings which are repayable later than 1 year and not later than 5 years amount to £562,500 (2014: £675,000) and later than 5 years amount to £112,500 (2014: £225,000). The loan is repayable, in addition to a 1.5% interest rate charge, in annual instalments of £112,500 with the final instalment due on the 31 December 2022.

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015

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## 20. FINANCIAL INSTRUMENTS

	2015 £	2014 £
<b>Financial assets</b>		
Financial assets that are debt instruments measured at amortised cost	<b>30,357,696</b>	22,460,361
	<u><b>30,357,696</b></u>	<u>22,460,361</u>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	<b>(28,715,804)</b>	(15,843,374)
Derivative financial instruments measured at fair value through profit or loss	<b>(1,113,588)</b>	(1,177,283)
	<u><b>(29,829,392)</b></u>	<u>(17,020,657)</u>

At 31 December 2015, the company had forward rate contracts with an obligation to buy €28,284,819 (2014: €35,329,150) and sell £21,925,541 (2014: £28,827,866). This converts to a liability of £1,113,588 (2014: £1,177,283) at the year end. The longest running forward rate contract matures in the year ending 31 December 2017 (2014: 31 December 2016). The forward rate contracts are measured at fair value, which is determined using valuation techniques that utilise observable inputs. The key inputs used in valuing the derivatives are the forward exchange rate for GBP:EUR.

## 21. SHARE CAPITAL

	2015 £	2014 £
<b>Allotted, called up and fully paid</b>		
31,500,000 (2014 - 30,737,575) Ordinary shares of £1 each	<b>31,500,000</b>	30,737,575
	<u><b>31,500,000</b></u>	<u>30,737,575</u>

On 21 December 2015, the parent company, Lindner Fassaden GmbH was allotted 762,425 shares with a nominal value of £762,425. The nominal value of the shares issued was received as consideration for the allotment.

## 22. CONTINGENT LIABILITIES

In the ordinary course of business the company has given counter indemnities in respect of performance bonds and guarantees totalling £8,944,949 (2014: £11,144,685 ).

## 23. PENSION COMMITMENTS

The company operates a defined contribution pension scheme for its employees. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £352,198 (2014: £210,387). Contributions totalling £nil (2014: £nil) were payable to the fund at the balance sheet date and are included in creditors.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

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**24. COMMITMENTS UNDER OPERATING LEASES**

At 31 December 2015 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2015 £	2014 £
<b>Land and building</b>		
Not later than 1 year	136,220	136,220
Later than 1 year and not later than 5 years	544,880	544,880
Later than 5 years	129,650	265,870
<b>Total</b>	<b>810,750</b>	<b>946,970</b>
	2015 £	2014 £
<b>Other operating leases</b>		
Not later than 1 year	11,553	32,037
Later than 1 year and not later than 5 years	405	11,958
<b>Total</b>	<b>11,958</b>	<b>43,995</b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

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**25. RELATED PARTY TRANSACTIONS**

The company has taken advantage of the exemption contained in FRS 102 Section 33 "Related Party Disclosures" from disclosing transactions with wholly owned entities which are part of its group.

The directors are considered to be the key management personnel of the Company. Compensation for the directors is disclosed in note 8 of the financial statements.

Lindner Beteiligungs GmbH, which is a significant shareholder of the Lindner Group, has provided a letter of support in relation to the company's projects in the Middle East until 30 June 2017.

**26. CONTROLLING PARTY**

The parent undertaking of the smallest group of undertakings for which group financial statements are drawn up and of which the company is a member is Lindner AG, a company incorporated in Germany. Copies of the group financial statements are available from Bahnhofstrasse 29, 94424 Arnstorf, Germany. In preparing its financial statements the company has taken advantage of the exemption available from preparing a Statement of Cash Flows.

The ultimate parent company and parent undertaking of the largest group of undertakings for which group financial statements are drawn up and of which the company is a member is Lindner Group KG, a company incorporated in Germany. Copies of these group financial statements are available from Bahnhofstrasse 29, 94424 Arnstorf, Germany.

In the opinion of the directors the immediate controlling party is Lindner Fassaden GmbH, a company incorporated in Germany.

In the opinion of the directors the ultimate controlling party is Lindner Group KG, a company incorporated in Germany.

**27. FIRST TIME ADOPTION OF FRS 102**

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.