

**Greenbrook Construction Limited**

Annual report and financial statements  
for the year ended 31 March 2009

Registered number: 05968266



# Report and financial statements 2009

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## Officers and professional advisers

### **Directors**

J D Spencer  
P Jackson  
P Duckett  
S M Nealon

### **Secretary**

P Duckett

### **Registered office**

Nexus House  
Nexus  
Randles Road  
Knowsley Business Park  
Knowsley  
Merseyside  
L34 9HX

### **Bankers**

Bank of Scotland plc  
Liverpool Corporate Centre  
5 St. Paul Square  
Old Hall Street  
Liverpool  
L3 9AE

### **Solicitors**

DLA Piper LLP  
India Building  
Water Street  
Liverpool  
L2 0NH

### **Auditors**

Deloitte LLP  
Chartered Accountants and Registered Auditors  
Liverpool  
United Kingdom

## **Directors' report**

For the year ended 31 March 2009

The directors present their first annual report on the affairs of the company, together with the financial statements and auditors' report, for the period ended 31 March 2009. The directors' report has been prepared in accordance with the special provisions relating to small companies under section 246(4) of the Companies Act 1985.

### **Principal activities**

The principal activities of the company comprise of the provision of multi discipline contractor services

### **Business review**

The turnover from continuing operations was £632,142 (2008: £564,375). Operating profit for continuing operations was £14,962 (2008: operating loss £35,080). The directors expect the general level of activity to increase in the foreseeable future.

### **Results and dividends**

The company profit for the period after taxation, was £14,962 (2008: loss £35,080). No dividend was paid in the year (2008: nil).

### **Going concern**

After making enquiries, that the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies in the financial statements.

### **Directors**

The directors, who served throughout the period and thereafter, were as follows:

J D Spencer  
P Duckett  
P Jackson  
S M Nealon

In accordance with the repeals of sections 324-326 and 328-329 and Parts 2 to 4 of Schedule 13 of the Companies Act 1985, no disclosure is prepared in respect of directors' interests in shares of the company.

## Directors' report (continued)

For the year ended 31 March 2009

### Auditors

In the case of each of the persons who are directors of the company at the date when this report is approved:

- so far as each of the directors is aware, there is no relevant audit information (as defined in the Companies Act 1985) of which the company's auditors are unaware; and
- each of the directors has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information (as defined) and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 1985.

On 1 December 2008 Deloitte & Touche LLP changed its name to Deloitte LLP. Deloitte LLP were appointed as the company's first auditors and have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

By order of the Board,



P Duckett  
Secretary

9 July 2009

## Statement of directors' responsibilities

The directors are responsible for preparing the Annual 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). The financial statements are required by law to 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 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 proper accounting records that 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 1985. 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.

## **Independent auditors' report to the members of Greenbrook Construction Limited**

We have audited the financial statements of Greenbrook Construction Limited for the year ended 31 March 2009 which comprise the profit and loss account, the statement of total recognised gains and losses, the balance sheet, the statement of accounting policies and the related notes numbered 1 to 14. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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**

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements. In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the other information contained in the Annual Report as described in the contents section and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any further information outside the Annual Report.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

## Independent auditors' report to the members of Greenbrook Construction Limited (continued)

### Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2009 and of its profit for the period then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the directors' report is consistent with the financial statements.



Deloitte LLP

Chartered Accountants and Registered Auditors

Liverpool

United Kingdom

13/09/2009



## Profit and loss account

For the year ended 31 March 2009

		Year ended 31 March 2009 £	16 October 2006 to 31 March 2008 £
	Note		
<b>Turnover</b>		632,142	564,375
Cost of sales		-	-
<b>Gross profit</b>		632,142	564,375
Administrative expenses		(618,335)	(601,168)
<b>Operating loss</b>		13,807	(36,793)
Finance charges	1	(20)	(18)
Interest receivable	1	1,175	1,731
<b>(Loss)/profit on ordinary activities before taxation</b>	2	14,962	(35,080)
Tax on loss on ordinary activities	5	-	-
<b>Profit/(loss) for the financial period after taxation</b>	10,11	14,962	(35,080)

All activity arose from continuing operations.

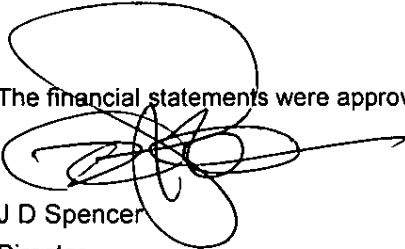
There are no recognised gains and losses in the current year or prior period other than those stated in the profit and loss account. Consequently, no separate statement of total recognised gains and losses has been presented.

## Balance sheet

31 March 2009

	Note	2009 £	2008 £
<b>Fixed assets</b>			
Tangible assets	6	67,930	83,728
<b>Current assets</b>			
Debtors	7	138,329	153,413
Cash at bank and in hand		50,135	9,370
		188,464	162,783
<b>Creditors: Amounts falling due within one year</b>	8	(226,512)	(231,591)
<b>Net current liabilities</b>		(38,048)	(68,808)
<b>Total assets less current liabilities</b>		29,882	14,920
<b>Net assets</b>		29,882	14,920
<b>Capital and reserves</b>			
Called-up share capital	9	50,000	50,000
Profit and loss account	10	(20,118)	(35,080)
<b>Shareholders' funds</b>		29,882	14,920

The financial statements were approved by the Board of Directors on 9 July 2009 and signed on its behalf by:



J D Spencer  
Director

## Statement of accounting policies

Year ended 31 March 2009

### Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year.

### Basis of accounting

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

The company is reliant on financial support from related companies within the Spencer Group.

In preparing these financial statements the directors have considered the financial position and trading of the group and the financial strength of the ultimate parent undertaking, Spencer Commercial Property Limited.

After making these enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

### Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life, as follows:

Motor vehicles	25% per annum, reducing balance
Computers	33% per annum on a straight line basis

Residual value is calculated on prices prevailing at the date of acquisition.

### Taxation

UK corporation 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.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

## Statement of accounting policies (continued)

Year ended 31 March 2009

### **Pension costs**

For defined contribution schemes the amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

### **Finance costs**

Finance costs are recognised in the profit and loss account over the term of such instrument at a constant rate on the carrying amount.

### **Turnover**

Turnover represents amounts receivable for goods and services provided in the normal course of business, net of trade discounts, VAT and other sales related taxes and is recognised upon despatch.

The principal activities of the company comprise of specialist joinery manufacture and joinery fixing contracting. Turnover is wholly attributable to the principal activity of the company and arises solely within the United Kingdom. The company's assets are held in the United Kingdom.

# Notes to the financial statements (continued)

Year ended 31 March 2009

## 1 Finance charges

*Interest payable and similar charges (net)*

	Year ended 31 March 2009 £	16 October 2006 to 31 March 2008 £
Bank loans and overdrafts	20	18
Interest payable and similar charges	20	18
Interest receivable	(1,175)	(1,731)
Finance charges (net)	(1,155)	(1,713)

## 2 Profit/(loss) on ordinary activities before taxation

Profit/(loss) on ordinary activities before taxation is stated after charging/(crediting):

	Year ended 31 March 2009 £	16 October 2006 to 31 March 2008 £
Depreciation and amounts written off tangible fixed assets		
- owned	24,663	27,107
Profit on disposal of tangible fixed assets	-	(2,824)
Auditors' remuneration for audit services	4,500	5,000

## 3 Staff costs

The average monthly number of employees (including executive directors) was:

	2009 Number	2008 Number
Management	3	4
Administration	2	2
Maintenance	4	6
	9	12

	Year ended 31 March 2009 £	16 October 2006 to 31 March 2008 £
Their aggregate remuneration comprised:		
Wages and salaries	342,724	354,849
Social security costs	36,853	41,394
Other pension costs	12,704	9,378
	392,281	405,621

## Notes to the financial statements (continued)

Year ended 31 March 2009

### 4 Directors' remuneration, interests and transactions

The remuneration of the directors was as follows:

	Year ended 31 March 2009 £	16 October 2006 to 31 March 2008 £
Emoluments	136,955	65,714
Company contributions to money purchase pension schemes	5,750	1,750
	<u>142,705</u>	<u>67,464</u>

The number of directors who were members of pension schemes was as follows:

	2009 Number	2008 Number
Money purchase schemes	<u>2</u>	<u>2</u>

### 5 Tax on loss on ordinary activities

The tax charge comprises:

	Year ended 31 March 2009 £	16 October 2006 to 31 March 2008 £
<b>Current tax</b>		
UK corporation tax	-	-
<b>Total current tax</b>	-	-
<b>Deferred tax</b>		
Origination and reversal of timing differences	-	-
<b>Total deferred tax</b>	-	-
<b>Total tax on loss on ordinary activities</b>	-	-

# Notes to the financial statements (continued)

Year ended 31 March 2009

## 5 Tax on profit/(loss) on ordinary activities (continued)

The standard rate of current tax for the period, based on United Kingdom standard of corporation tax is 28% (2008:30%). The actual charge for the current period is different to the standard rate for the reasons set out in the following reconciliation:

	Year ended 31 March 2009 £	16 October 2006 to 31 March 2008 £
<b>Profit/(loss) on ordinary activities before tax</b>	14,962	(35,080)
<b>Tax on profit/(loss) on ordinary activities at standard rate</b>	4,189	(10,524)
<b>Effects of:</b>		
Capital allowance in excess of depreciation	2,078	1,731
Losses (brought)/carried forward	(6,267)	8,793
<b>Current tax charge/(credit) on loss on ordinary activities</b>	-	-

## 6 Tangible fixed assets

	Motor vehicles £	Computer equipment £	Total £
<b>Cost</b>			
At 1 April 2008	98,105	12,730	110,835
Additions	8,865	-	8,865
At 31 March 2009	106,970	12,730	119,700
<b>Depreciation</b>			
At 1 April 2008	22,906	4,201	27,107
Charge for the year	20,462	4,201	24,663
At 31 March 2009	43,368	8,402	51,770
<b>Net book value</b>			
At 31 March 2009	63,602	4,328	67,930
At 31 March 2008	75,199	8,529	83,728

## Notes to the financial statements (continued)

Year ended 31 March 2009

### 7 Debtors

	2009 £	2008 £
Trade debtors	-	23,124
Other debtors and prepayments	138,329	130,289
	<u>138,329</u>	<u>153,413</u>

All amounts are due within one year

### 8 Creditors: Amounts falling due within one year

	2009 £	2008 £
Trade creditors	11,331	1,364
Amounts owed to related parties	177,191	113,442
Other taxation and social security	22,958	44,848
Other creditors and accruals	15,032	71,937
	<u>226,512</u>	<u>231,591</u>

Amounts owed to related parties are unsecured and interest free. The company has received confirmation that Spencer Holdings plc will not seek repayment of this loan within 12 months of the balance sheet date.



# Notes to the financial statements (continued)

Year ended 31 March 2009

## 9 Called-up share capital

	2009 Number	2008 Number
<b>Authorised</b>		
A ordinary shares of £1 each	20,000	20,000
B ordinary shares of £1 each	80,000	80,000
	<u>100,000</u>	<u>100,000</u>
	2009 £	2008 £
<b>Allotted, called-up and fully-paid</b>		
A ordinary shares of £1 each	10,000	10,000
B ordinary shares of £1 each	40,000	40,000
	<u>50,000</u>	<u>50,000</u>

The shares were issued on incorporation, 16 March 2007. 'A' ordinary and 'B' ordinary shares rank pari-passu in all matters except that the 'A' shareholders have the right to:

- appoint the Chairman;
- appoint and remove the Directors; and
- veto any amendment to the company's Articles of Association, or the adoption of new articles.

## 10 Reserves

	Profit and loss account £
At 31 March 2008	(35,080)
Profit for the year	<u>14,962</u>
At 31 March 2009	<u>(20,118)</u>

## Notes to the financial statements (continued)

Year ended 31 March 2009

### 11 Reconciliation of movements in shareholders' funds

	Total	Share Capital	Profit and Loss
	£	£	£
At 31 March 2008	14,920	50,000	(35,080)
Profit for the year	14,962	-	14,962
At 31 March 2009	29,882	50,000	(20,118)

### 12 Financial commitments

There were no capital commitments as at year end (2008: nil).

### 13 Related party transactions

During the year the company had the following transactions with related parties

	2009 £	2008 £
Purchase from Spencer Industrial Estates Limited	25,880	-
Purchases from Spencer Holdings Plc	992	108,080
Sales to Spencer Holdings Plc	33,551	406,408
Sales to Spencer Industrial Estates Limited	347,217	152,693
Sales to Spencer Business Parks Limited	237,198	4,464
Sales to Spencer Trade Counters Limited	9,832	810
Sales to Omega Business Parks Limited	1,248	-

Amounts outstanding at the year end due to Spencer Holdings Plc amounted to £158,230 (2008: £100,481).

Amounts outstanding at the year end due to Spencer Property Asset Management Limited amounted to £12,961 (2008: £12,961).

Amounts outstanding at the year end due to Spencer Industrial Estates Limited amounted to £6,000 (2008: £96,280)

### 14 Controlling parties

The company is under control of Director, J D Spencer, by virtue of his 100% holding of the 'A' ordinary shares in issue.