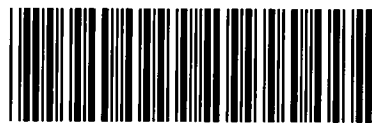


Company Registration Number 06271347

GLEEDS MIDDLE EAST LIMITED

**Annual report and financial statements
for the year ended 31 December 2016**

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GLEEDS MIDDLE EAST LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS 2016

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GLEEDS MIDDLE EAST LIMITED

DIRECTORS AND PROFESSIONAL ADVISERS

DIRECTORS

N E J Hampson
I J Miller
S Senior
R P Steer

SECRETARY

N E J Hampson

REGISTERED NUMBER

06271347

REGISTERED OFFICE

95 New Cavendish Street
London
W1W 6XF

AUDITOR

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
2 Glass Wharf
Bristol
BS2 0FR

GLEEDS MIDDLE EAST LIMITED

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements of Gleeds Middle East Limited (the "company") for the year ended 31 December 2016.

Principal activities

The principal activity of the company during the financial year was that of a holding company.

Results and dividends

The profit for the financial year amounted to £27,925 (2015: £4,782).

During the year a dividend of £nil (2015: £nil) was paid. The directors do not recommend the payment of a final dividend (2015: £nil).

Directors

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

N E J Hampson
I J Miller
S Senior
R P Steer

The issued shares are owned by Gleeds International Holdings (1995) Limited, a company registered in England and Wales under registration number 03082140, which is controlled by the partnership Gleeds UK. R P Steer, I J Miller and S Senior were directors and partners of both that company and that partnership during the year ended 31 December 2016. N E J Hampson was also a director in that company.

The company has no direct employees (2015: none).

Directors' indemnities

The Company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

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.

GLEEDS MIDDLE EAST LIMITED

DIRECTORS' REPORT (continued)

Independent auditor

PricewaterhouseCoopers LLP were appointed as the independent auditor during the year. PricewaterhouseCoopers LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'Neil Hampson', written in a cursive style.

N E J Hampson
Director

12 June 2017

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, comprising Financial Reporting Standard 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102) Section 1A, 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 comprising FRS 102 Section 1A have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 102 Section 1A used in the preparation of 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.

The directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GLEEDS MIDDLE EAST LIMITED

Report on the financial statements

Our opinion

In our opinion, Gleeds Middle East Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

The financial statements, included within the Annual report and financial statements (the "Annual Report"), comprise:

- the Balance Sheet as at 31 December 2016;
- the Profit and Loss Account for the year then ended;
- the Statement of Changes in Equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, and applicable law (United Kingdom Generally Accepted Accounting Practice), applicable to Smaller Entities.

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in 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.

In addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Directors' Report. We have nothing to report in this respect.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GLEEDS MIDDLE EAST LIMITED (continued)

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; take advantage of the small companies exemption in preparing the Directors' Report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Directors' Responsibilities Statement set out on page 4, 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) ("ISAs (UK & 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.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). 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.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual 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. With respect to the Directors' Report, we consider whether this report includes the disclosures required by applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GLEEDS MIDDLE EAST LIMITED
(continued)

Other matter

The financial statements for the year ended 31 December 2015, forming the corresponding figures of the financial statements for the year ended 31 December 2016, are unaudited.



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

23 June 2017

GLEEDS MIDDLE EAST LIMITED

PROFIT AND LOSS ACCOUNT

For the year ended 31 December 2016

	Note	2016 £	2015 £
Turnover	4	35,000	6,000
Cost of sales		-	-
Gross profit		<u>35,000</u>	<u>6,000</u>
Administrative expenses		(94)	(92)
Profit on ordinary activities before taxation		<u>34,906</u>	<u>5,908</u>
Tax on profit on ordinary activities	7	(6,981)	(1,126)
Profit for the financial year		<u><u>27,925</u></u>	<u><u>4,782</u></u>

All results relate to continuing operations.

GLEEDS MIDDLE EAST LIMITED

BALANCE SHEET At 31 December 2016

	Note	2016 £	2015 £
Fixed assets			
Investments	8	32,393	32,393
Current assets			
Debtors – due within one year	9	226,162	95,501
Cash at bank and in hand		246	65
		<u>226,408</u>	<u>95,566</u>
Creditors: amounts falling due within one year	10	<u>(224,665)</u>	<u>(121,748)</u>
Net current assets/(liabilities)		<u>1,743</u>	<u>(26,182)</u>
Total assets less current liabilities, being net assets		<u>34,136</u>	<u>6,211</u>
Capital and reserves			
Called-up share capital	12	1	1
Profit and loss account	13	34,135	6,210
Shareholders' funds		<u>34,136</u>	<u>6,211</u>

The company's financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A for small entities.

The financial statements of Gleeds Middle East Limited, registered number 06271347 were approved by the board of directors and authorised for issue on 12 June 2017. They were signed on its behalf by:



N E J Hampson
Director

GLEEDS MIDDLE EAST LIMITED

STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2016

	Called-up share capital £	Profit and loss account £	Total £
At 1 January 2015	1	1,428	1,429
Profit for the financial year, being total comprehensive income	-	4,782	4,782
At 31 December 2015	1	6,210	6,211
Profit for the financial year, being total comprehensive income	-	27,925	27,925
At 31 December 2016	1	34,135	34,136

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

1. General information

Gleeds Middle East Limited (the "company") acted principally as a holding company.

The Company is a private company limited by shares and is incorporated and domiciled in England and Wales. The address of its registered office is 95 New Cavendish Street, London, W1W 6XF.

2. Accounting policies

a) 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 Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006 as applied to small companies.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

The company has taken advantage of the exemptions in section 398 of the Companies Act 2006 from the requirement to prepare consolidated financial statements, on the grounds that it is a small sized group. These financial statements therefore present information about the company as an individual undertaking and not about its group.

The principal accounting policies, which have been applied consistently throughout the year are set out below.

b) Going concern

The company is part of the Gleeds group of companies. The company meets its day-to-day working capital requirements through its bank facilities and balances with the Gleeds UK partnership and other Gleeds companies. The company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the company should be able to operate within the level of its current facilities. After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

c) Cash flow

The financial statements do not include a Statement of Cash Flows because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Section 1A of FRS 102.

d) Investments

Investments in subsidiary undertakings are measured at cost less accumulated impairment. Where merger relief is applicable, the cost of the investment in a subsidiary undertaking is measured at the nominal value of the shares issued together with the fair value of any additional consideration paid.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2016

2. Accounting policies (continued)

e) 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 the provision services is recognised in the period in which the services are provided 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; and
- the costs incurred can be measured reliably.

f) Debtors

Short term debtors are measured at transaction price, less any impairment.

g) 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.

h) Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable.

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.

Financial assets 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 the Profit and Loss Account.

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.

i) Creditors

Short term creditors are measured at the transaction price.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2016

2. Accounting policies (continued)

j) Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

k) Foreign currency translation

The company's functional and presentational currency is the pound sterling.

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. 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 the Profit and Loss Account within Administrative expenses.

l) Taxation

Tax is recognised in the Profit and Loss Account, 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.

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

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

4. TURNOVER

The whole of the turnover is attributable to the principal activity of the company. All turnover arose within the United Kingdom.

5. DIRECTORS' REMUNERATION

N E J Hampson is also a director and employee of Gleeds Corporate Services Limited, and is remunerated by that company. It is not practicable to allocate his remuneration between his services as director of the Company and director or employee of other group companies.

All of the other directors are also equity partners of Gleeds UK and are remunerated by that partnership. Gleeds UK does not make a recharge to the Company.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2016

6. AUDITOR'S REMUNERATION

	2016 £	2015 £
Fees payable to the company's auditor and its associates for the audit of the company's financial statements	<u>2,375</u>	<u>-</u>

7. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2016 £	2015 £
Corporation tax on profit for the year	<u>6,981</u>	<u>1,126</u>

Factors that may affect future tax charges

The Finance Act 2015 which was substantively enacted on 26 October 2015 included legislation to reduce the main rate of corporation tax to 19% from 1 April 2017 and to 18% from 1 April 2020.

The March 2016 Budget Statement announced a further change to the UK Corporation tax rate which will now reduce the main rate of corporation tax to 17% from 1 April 2020.

8. FIXED ASSET INVESTMENTS

	Subsidiary undertakings £
Cost and net book value	
At 31 December 2016	<u>32,393</u>
At 31 December 2015	<u>32,393</u>

The investment represents shares in Gleeds Construction Consultancy Egypt S.A.E.

The company holds 98% of the issued share capital of Gleeds Construction Consultancy Egypt SAE., a company incorporated in Egypt. As at 31 December 2016 the aggregate share capital and reserves of Gleeds Construction Consultancy Egypt SAE totalled £459,803 (2015: £344,660) and its profit for the year was £149,190 (2015: loss of £149,564).

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2016

9. DEBTORS

	2016	2015
	£	£
Amounts owed by group undertakings	192,804	89,500
Amounts owed by related parties	33,357	6,000
Other debtors – unpaid called-up share capital	1	1
	<u>226,162</u>	<u>95,501</u>

Amounts owed by group undertakings and related parties are unsecured, interest-free and repayable on demand.

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016	2015
	£	£
Amounts owed to related parties	192,429	95,367
Corporation tax	6,981	1,126
Other creditors – unpaid share capital	25,250	25,250
Accruals and deferred income	5	5
	<u>224,665</u>	<u>121,748</u>

Amounts owed to related parties are unsecured, interest free and repayable on demand.

11. FINANCIAL INSTRUMENTS

	2016	2015
	£	£
Financial assets		
Financial assets that are debt instruments measured at amortised cost	<u>226,162</u>	<u>95,501</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(217,684)</u>	<u>(120,622)</u>

Financial assets measured at amortised cost comprise amounts owed by group undertakings, related parties and other debtors.

Financial liabilities measured at amortised cost comprise bank overdrafts, amounts owed to related parties, other creditors and accruals.

GLEEDS MIDDLE EAST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2016

12. CALLED-UP SHARE CAPITAL

	2016 £	2015 £
Allotted, called-up and unpaid		
1 (2015: 1) ordinary share of £1 each	<u>1</u>	<u>1</u>

13. RESERVES

Profit and loss account

The profit and loss account represents the accumulated profits, losses and distributions of the company.

14. RELATED PARTY TRANSACTIONS

At the balance sheet date the company owed £217,679 (2015: £120,617) to, and was owed £226,162 (2015: £95,501) by, other Gleeds partnerships and companies.

15. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The whole of the issued share capital of the company is owned by Gleeds International Holdings (1995) 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 (1995) Limited and are therefore the ultimate controlling parties of Gleeds Middle East Limited.

16. POST BALANCE SHEET SUBSEQUENT EVENTS

Subsequent to the year-end, Gleeds Middle East Limited transferred its investment in Gleeds Construction Consultancy Egypt S.A.E to Gleeds International Holdings Limited. The transfer was part of a restructuring of the overseas group and was completed at book value.