

Goldbeck Construction Limited

REPORT AND FINANCIAL STATEMENTS

31 March 2007

REGISTRAR OF COMPANIES



Company Registration No 3989672

Goldbeck Construction Limited

DIRECTORS AND OFFICERS

DIRECTORS

U Brackmann, Chairman
J-U Goldbeck

SECRETARY

JL Hoare

REGISTERED OFFICE

2 Bloomsbury Street
London WC1B 3ST

AUDITORS

Baker Tilly UK Audit LLP
Chartered Accountants
Lancaster House
7 Elmfield Road
Bromley
Kent BR1 1LT

BANKERS

Dresdner Kleinwort Wasserstein
Dresdner Bank AG
London Branch
PO Box 18075
Riverbank House
2 Swan Lane
London EC4R 3UX

Goldbeck Construction Limited

DIRECTORS' REPORT

The directors submit their report and the financial statements of Goldbeck Construction Limited for the year ended 31 March 2007

PRINCIPAL ACTIVITIES

The company's principal activity continued to be the supply and erection of prefabricated industrial and commercial buildings

DIRECTORS

The following directors have held office since 1 April 2006

U Brackmann
J-U Goldbeck

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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

POLITICAL AND CHARITABLE CONTRIBUTIONS

During the year the company made no political or charitable contributions

AUDITORS

The directors, having been notified of the cessation of the partnership known as Baker Tilly, resolved that Baker Tilly UK Audit LLP be appointed as successor auditor with effect from 1 April 2007, in accordance with the provisions of the Companies Act 1989, s26(5). Baker Tilly UK Audit LLP has indicated its willingness to continue in office.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By order of the board



Director

02.08.07

Goldbeck Construction Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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 those financial statements, the directors are required to

- a select suitable accounting policies and then apply them consistently,
- b make judgements and estimates that are reasonable and prudent,
- c 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 which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the requirements of 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.

AUDITORS' REPORT TO THE MEMBERS OF GOLDBECK CONSTRUCTION LIMITED

We have audited the financial statements on pages 5 to 12

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 auditor's 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 Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

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.

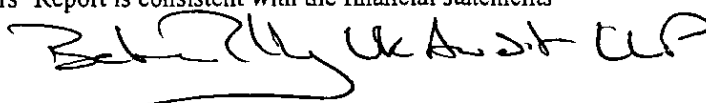
Opinion

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 at 31 March 2007 and of its profit for the year then ended and 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.

BAKER TILLY UK AUDIT LLP
Registered Auditor
Chartered Accountants
Lancaster House
7 Elmfield Road
Bromley, Kent BR1 1LT

3.8.07



Goldbeck Construction Limited

PROFIT AND LOSS ACCOUNT

for the year ended 31 March 2007

	<i>Notes</i>	2007 £	2006 £
TURNOVER	1	1,440,891	2,843,592
Cost of sales		1,370,474	2,600,492
Gross profit		<u>70,417</u>	<u>243,100</u>
Administrative expenses		93,543	96,896
OPERATING (LOSS)/PROFIT		<u>(23,126)</u>	<u>146,204</u>
Interest receivable and similar income	2	86,485	53,807
		<u>63,359</u>	<u>200,011</u>
Interest payable and similar charges	3	37,632	3,713
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	4	<u>25,727</u>	<u>196,298</u>
Taxation	6	8,598	59,594
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	12	<u>£17,129</u>	<u>£136,704</u>

The operating loss for the year arises from the company's continuing operations

No separate statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the Profit and Loss Account

Goldbeck Construction Limited

BALANCE SHEET

31 March 2007

	Notes	2007 £	2006 £
FIXED ASSETS	7	4,462	11,236
CURRENT ASSETS			
Debtors	8	2,011,873	1,799,605
Cash at bank and in hand		326,055	594,103
		<u>2,337,928</u>	<u>2,393,708</u>
CREDITORS Amounts falling due within one year	9	1,467,364	1,612,719
NET CURRENT ASSETS		<u>870,564</u>	<u>780,989</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>875,026</u>	<u>792,225</u>
CREDITORS Amounts falling due after more than one year	10	73,154	7,482
NET ASSETS		<u>£801,872</u>	<u>£784,743</u>
CAPITAL AND RESERVES			
Called up share capital	11	25,000	25,000
Profit and loss account	12	776,872	759,743
SHAREHOLDERS' FUNDS	13	<u>£801,872</u>	<u>£784,743</u>

These accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

The financial statements on pages 5 to 12 were approved by the board and authorised for issue on 02.08.07 and signed on its behalf by

Director



Goldbeck Construction Limited

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention

TANGIBLE FIXED ASSETS

Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows

Computer equipment	25% per annum, straight line basis
Motor vehicles	25% per annum, straight line basis

LONG TERM CONTRACTS

Long term contracts are assessed on a contract by contract basis and reflected in the profit and loss account by recording turnover and related costs as contract activity progresses. Turnover is ascertained in a manner appropriate to the stage of completion of the contract, and credit taken for profit earned to date when the outcome of the contract can be assessed with reasonable certainty. The amount by which turnover exceeds payments on account is classified as "amounts recoverable on contracts" and included in debtors, to the extent that payments on account exceed relevant turnover, the excess is included as a creditor. The amount of long term contracts, at cost net of amounts transferred to cost of sales, less provision for foreseeable losses and payments on account not matched with turnover, is included within stocks

DEFERRED TAXATION

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

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

OPERATING LEASES

Annual rentals in respect of operating leases are charged to profit and loss account on a straight line basis over the lease term

PENSION CONTRIBUTIONS

Contributions to personal pension plans are charged to profit and loss account as they accrue

FOREIGN CURRENCIES

Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the profit and loss account

TURNOVER

Turnover represents the invoiced value, net of Value Added Tax, of goods sold and services provided to customers

Goldbeck Construction Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2007

1	TURNOVER	2007	2006
	Percentage of turnover relating to non-UK markets	1%	0%
2	INTEREST RECEIVABLE AND SIMILAR INCOME	2007 £	2006 £
	Bank interest receivable	8,609	4,985
	Intercompany interest receivable	74,585	36,201
	Interest on overpaid tax	3,291	-
	Foreign currency translation gains	-	12,621
		<u>£86,485</u>	<u>£53,807</u>
3	INTEREST PAYABLE AND SIMILAR CHARGES	2007 £	2006 £
	Interest on overdue tax	7	3,713
	Foreign currency translation losses	37,625	-
		<u>£37,632</u>	<u>£3,713</u>
4	PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2007 £	2006 £
	Profit on ordinary activities before taxation is stated after charging		
	Depreciation of fixed assets		
	Charge for the year		
	Owned assets	£6,774	£5,963
	Operating lease rentals		
	Plant and machinery	£5,412	£3,075
	Auditors' remuneration	£12,500	£16,495
		<u></u>	<u></u>

Goldbeck Construction Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2007

5 DIRECTORS' REMUNERATION

The directors were not remunerated for their services to the company during this or the previous year. The management charge from Goldbeck GmbH (see Note 15) includes an element of reward for their activities on behalf of the company.

6 TAXATION	2007 £	2006 £
Current tax		
UK corporation tax on the profit for the year	<u>£8,598</u>	<u>£59,594</u>
Factors affecting tax charge for the year		
The tax assessed for the year is higher than the standard rate of corporation tax in the UK of 30% as explained below		
Profit on ordinary activities before tax	<u>25,727</u>	<u>196,298</u>
Profit on ordinary activities multiplied by standard rate of corporation tax UK of 30% (2006 30%)	<u>7,718</u>	<u>58,890</u>
Effects of		
Expenses not deductible for tax purposes	-	151
Capital allowances less than depreciation	<u>880</u>	<u>553</u>
Current tax charge for the year	<u>£8,598</u>	<u>£59,594</u>
Factors which may affect future tax charges		

The company has an unrecognised potential deferred tax asset of £2,601 (2006 £1,721) resulting from capital allowances being less than depreciation.

7 TANGIBLE FIXED ASSETS	<i>Computer Equipment</i> £	<i>Motor vehicles</i> £	<i>Total</i> £
Cost			
1 April 2006 and 31 March 2007	<u>4,478</u>	<u>22,615</u>	<u>27,093</u>
Depreciation			
1 April 2006	309	15,548	15,857
Charged in the year	<u>1,120</u>	<u>5,654</u>	<u>6,774</u>
31 March 2007	<u>1,429</u>	<u>21,202</u>	<u>22,631</u>
Net book value			
31 March 2007	<u>£3,049</u>	<u>£1,413</u>	<u>£4,462</u>
31 March 2007	<u>£4,169</u>	<u>£7,067</u>	<u>£11,236</u>

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Goldbeck Construction Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2007

8	DEBTORS	2007 £	2006 £
	Due within one year		
	Trade debtors	623,018	814,250
	Amounts owed by group undertakings	1,262,701	833,532
	Amounts recoverable on contracts	15,475	42,028
	Recoverable corporation tax	-	16,406
	Other debtors	107,111	49,037
	Prepayments	3,568	2,324
		<u>2,011,873</u>	<u>1,757,577</u>
	Due in more than one year	-	42,028
		<u>£2,011,873</u>	<u>£1,799,605</u>
9	CREDITORS Amounts falling due within one year	2007 £	2006 £
	Trade creditors	3,484	13,951
	Amounts owed to group undertaking	853,319	-
	Corporation tax	8,598	-
	Other taxation and social security	69,445	4,047
	Others creditors	45,493	206,987
	Accruals and deferred income	487,025	1,387,734
		<u>£1,467,364</u>	<u>£1,612,719</u>
10	CREDITORS Amounts falling due after more than one year	2007 £	2006 £
	Other creditors	<u>£73,154</u>	<u>£7,482</u>
11	SHARE CAPITAL	2007 £	2006 £
	Authorised 100,000 ordinary shares of £1 each	<u>£100,000</u>	<u>£100,000</u>
	Allotted, called up and fully paid 25,000 ordinary shares of £1 each	<u>£25,000</u>	<u>£25,000</u>
12	PROFIT AND LOSS ACCOUNT	2007 £	2006 £
	1 April	759,743	623,039
	Profit for the year	17,129	136,704
	31 March	<u>£776,872</u>	<u>£759,743</u>

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Goldbeck Construction Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2007

13	RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS	2007 £	2006 £
	Profit for the financial year	17,129	136,704
	Opening shareholders' funds	784,743	648,039
	Closing shareholders' funds	<u>£801,872</u>	<u>£784,743</u>
15	RELATED PARTY DISCLOSURES	2007 £	2006 £
	Related party transactions and balances are as follows		
	Goldbeck GmbH – fellow subsidiary		
	Settlement of account with Goldbeck Bau GmbH (fellow subsidiary)	-	(2,962,136)
	Working capital advances	395,698	580,316
	Interest on intercompany net funding	74,585	36,201
	Management charges	(6,424)	(11,223)
	Foreign currency exchange adjustment	(34,690)	12,638
	Balance receivable at 31 March 2007 – note 8	<u>£1,262,425</u>	<u>£833,256</u>
	Goldbeck Prefabeton s r o – fellow subsidiary		
	Purchase of construction materials	£ -	£65,672
	Balance receivable at 31 March 2007 – Note 8	<u>£276</u>	<u>£276</u>
	Goldbeck International GmbH – immediate parent undertaking		
	Purchase of construction materials	£(853,319)	£ -
	Balance payable at 31 March 2007 – Note 9	<u>£853,319</u>	<u>£ -</u>
16	COMMITMENTS UNDER OPERATING LEASES	2007 £	2006 £
	The company had annual commitments under non-cancellable operating leases as follows		
	Plant and machinery		
	Expiring in the first year	2,796	-
	Expiring in the second to fifth years	8,521	6,151
		<u>£11,317</u>	<u>£6,151</u>

Goldbeck Construction Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2007

17 PENSION COMMITMENTS

The company contributes to a personal pension plan for one salaried employee. The pension cost of £5,500 (2006 £6,000) represents contributions payable by the company during the year. There were no contributions outstanding at the year end (2006 £Nil).

18 IMMEDIATE AND ULTIMATE CONTROLLING PARTIES

The company's immediate parent is Goldbeck International GmbH, a private limited company incorporated in Germany. Its ultimate parent is Ortwin Goldbeck GmbH & Co. KG, a German limited liability partnership, and the controlling party is Mr Ortwin Goldbeck, Germany.