

Goldbeck Construction Limited

Annual report and financial statements
for the year ended 31 March 2010

Registered number 03989672

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Goldbeck Construction Limited

Annual report and financial statements for the year ended 31 March 2010

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Goldbeck Construction Limited

Company information

Directors

U Brackmann
J-U Goldbeck

Secretary

JL Hoare

Registered office

2 Bloomsbury Street
London
WC1B 3ST

Registered number

03989672

Independent auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
Exchange House
Midsummer Boulevard
Central Milton Keynes
MK9 2DF

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 for the year ended 31 March 2010

The directors present their report and the audited financial statements for the year ended 31 March 2010

Principal activities

The principal activity of the company during the year was that of the supply and erection of prefabricated industrial and commercial buildings

Business review

The company made a profit in the year of £424,601 (2009 loss of £573,420) and had net assets of £960,754 (2009 £536,153) The directors do not recommend the payment of a dividend (2009 none) The company completed a significant construction project in 2010 and is expected to be profitable going forward into 2011

Given the straightforward nature of the business, the company's directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business

Principal risks and uncertainties, including financial management

The company's operations expose it to a variety of financial risks that include price risk, credit risk and liquidity and interest rate risk Given the size of the company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board

Price risk

The company is exposed to commodity price risk as a result of its operations However, given the size of the company's operations, the costs of managing exposure to commodity price risk exceed any potential benefits The directors will revisit the appropriateness of this policy should the company's operations change in size or nature The company has no exposure to equity securities price risk as it holds no listed or equity investments

Credit risk

The company has implemented policies that require appropriate credit checks on potential customers before sales are made The amount of exposure to any individual counterparty is subject to a limit which is reassessed annually

Liquidity and interest rate risk

The company is financed by its parent company through intercompany debt This arrangement is designed to ensure that the company has sufficient available funds for day-to-day operations and planned expansion To the extent that the parent company loans are interest bearing, the interest rate is set by the parent company and interest payable is calculated on a daily basis

Directors

The following directors have held office throughout the year and up to the signing of these financial statements

U Brackmann
J-U Goldbeck

Statement of directors' responsibilities in respect of the Annual Report and the 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

Goldbeck Construction Limited

Directors' report for the year ended 31 March 2010 (continued)

Statement of directors' responsibilities in respect of the Annual Report and the financial statements (continued)

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

- select suitable accounting policies and then apply them consistently,
- make judgements 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 confirm that they have complied with the above requirements in preparing the financial statements

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

Statement of disclosure of information to auditors

In the case of each of the persons who are directors, at the time when the report is approved under section 234ZA, the following applies

- (a) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- (b) he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information

By order of the board



U Brackmann
Director

16 March 2011

Independent auditors' report to the members of Goldbeck Construction Limited

We have audited the financial statements of Goldbeck Construction Limited for the year ended 31 March 2010 which comprise the profit and loss account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page 3 the directors are responsible for preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and 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 1985 and for no other purpose. We do not, in giving this opinion, 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.

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.

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 March 2010 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

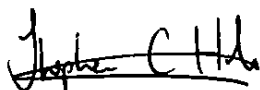
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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

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



Stephen Hale (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
Milton Keynes

Date 18 March 2011

Goldbeck Construction Limited

Profit and loss account for the year ended 31 March 2010

	Notes	2010 £	2009 £
Turnover	2	4,433,880	273,395
Cost of sales		(3,394,359)	(557,902)
Gross profit/(loss)		1,039,521	(284,507)
Administrative expenses		(347,727)	(487,217)
Operating profit/(loss)	3	691,794	(771,724)
Interest receivable and similar income	4	18,431	35,710
Interest payable and similar charges	5	(122,610)	(63,851)
Profit/(Loss) on ordinary activities before taxation		587,615	(799,865)
Tax on profit on ordinary activities	8	(163,014)	226,445
Profit/(Loss) on ordinary activities after taxation	16	424,601	(573,420)

The operating profit/(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

There are no material differences between the profit/(loss) on ordinary activities before taxation and the retained profit for the year stated above and their historical equivalents

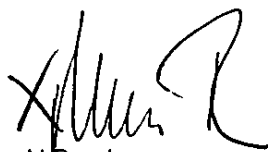
The accompanying notes on pages 8 to 17 form part of these financial statements

Goldbeck Construction Limited

Balance sheet as at 31 March 2010

	Notes	2010 £	2009 £
Fixed assets			
Tangible assets	9	20,669	25,434
Current assets			
Stocks	10	-	45,797
Debtors	11	133,213	741,623
Cash at bank and in hand		4,600,020	1,449,046
		4,733,233	2,236,466
Creditors amounts falling due within one year	12	(3,783,954)	(1,673,869)
Net current assets		949,279	562,597
Total assets less current liabilities		969,948	588,031
Creditors amounts falling due after more than one year	13	(9,194)	(51,878)
		960,754	536,153
Capital and reserves			
Called up share capital	15	25,000	25,000
Profit and loss reserve	16	935,754	511,153
Total shareholder's funds	17	960,754	536,153

These financial statements on pages 6 to 17 were approved by the board of directors on 16 March 2011 and signed on its behalf by


U Brackmann
Director

Goldbeck Construction Limited

Registered number 03989672



Goldbeck Construction Limited

Notes to the financial statements for the year ended 31 March 2010

1 Principal accounting policies

Basis of accounting

The financial statements have been prepared on the going concern basis, under the historical cost convention, and in accordance with applicable accounting standards and the Companies Act 1985. The principal accounting policies are set out below.

Cash flow statement

Under FRS 1 Cash flow statements (revised 1996) the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life as follows:

Fixtures, fittings & equipment	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 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 payment 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 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.

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

Leased assets

All leases are "operating leases" and the annual rentals are charged to profit and loss on a straight line basis over the lease term.

Foreign currency translation

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.

Goldbeck Construction Limited

Notes to the financial statements for the year ended 31 March 2010 (continued)

1 Principal accounting policies (continued)

Turnover

Turnover represents the invoiced value, net of Value Added Tax, of goods sold and services provided to customers outside the group and, in the case of long term contracts, credit is taken appropriate to the stage of completion when the outcome of the contract can be assessed with reasonable certainty

2 Turnover

	2010	2009
	£	£
Geographical market by destination		
UK	4,433,880	273,395
	4,433,880	273,395

3 Operating profit/(loss)

	2010	2009
	£	£
Operating profit/(loss) is stated after charging/(crediting):		
Depreciation of tangible assets	4,765	5,076
Operating lease rentals – plant and machinery	16,113	17,925
– other	55,591	49,749
Auditors' remuneration – statutory audit	19,100	15,000
– tax compliance	16,541	5,000
Profit on disposal of fixed assets	-	(750)
Exceptional costs of sales	-	387,000

Goldbeck Construction Limited

Notes to the financial statements for the year ended 31 March 2010 (continued)

4 Interest receivable and similar income

	2010	2009
	£	£
Bank interest	8,988	32,270
Other interest	2,804	-
Foreign currency translation gains	6,639	3,440
	18,431	35,710

5 Interest payable and similar charges

	2010	2009
	£	£
Group interest payable	122,610	63,851

6 Employees

Number of employees

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

	2010	2009
	Number	Number
Employees	4	5

Employment costs

	2010	2009
	£	£
Wages and salaries	132,458	146,455
Social security costs	17,413	17,544
	149,871	163,999

Goldbeck Construction Limited

Notes to the financial statements for the year ended 31 March 2010 (continued)

7 Directors' emoluments

The directors were not remunerated for their services to the company during this or the previous year

8 Tax on profit on ordinary activities

	2010	2009
	£	£
Current tax		
UK corporation tax on profits/(losses) of the period	-	-
Adjustment in respect of previous periods	-	(4,203)
Current tax charge/(credit)	-	(4,203)
Deferred tax		
Origination and reversal of timing differences	164,883	(222,400)
Adjustments in respect of previous periods	(1,869)	-
Changes in tax rates	-	158
Total deferred tax	163,014	(222,242)
Tax on profit/(loss) on ordinary activities	163,014	(226,445)

Goldbeck Construction Limited

Notes to the financial statements for the year ended 31 March 2010 (continued)

8 Tax on profit on ordinary activities (continued)

Factors affecting the tax charge for the year

	2010	2009
	£	£
Profit/(Loss) on ordinary activities before taxation	587,615	(799,865)
Profit/(Loss) on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 28% (2008 30%)	164,532	(223,962)
Effects of		
Expenses not deductible for tax purposes	351	3,938
Accelerated capital allowances	1,249	(8,916)
Adjustments to previous periods	-	(4,203)
Other timing differences	(166,132)	228,940
Current tax charge/(credit) for the year	-	(4,203)

Factors which may affect future tax charges

The standard rate of corporation tax in the UK changed from 30% to 28% with immediate effect from 1 April 2008. Accordingly, the company's losses for this accounting period are taxed at an effective rate of 28%.

A number of changes to the UK Corporation tax system were announced in the June 2010 Budget Statement. The Finance (No 2) Act 2010 is expected to include legislation to reduce the main rate of corporation tax from 28% to 27% from 1 April 2011. Further reductions to the main rate are proposed to reduce the rate by 1% per annum to 24% by 1 April 2014. The changes had not been substantively enacted at the balance sheet date and, therefore, are not included in these financial statements.

Goldbeck Construction Limited

Notes to the financial statements for the year ended 31 March 2010 (continued)

9 Tangible fixed assets

	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£
Cost			
At 1 April 2009	33,059	-	33,059
Additions	-	-	-
Disposals	-	-	-
At 31 March 2010	33,059	-	33,059
Depreciation			
At 1 April 2009	7,625	-	7,625
Charge for the year	4,765	-	4,765
Disposals	-	-	-
At 31 March 2010	12,390	-	12,390
Net book value			
At 31 March 2010	20,669	-	20,669
At 31 March 2009	25,434	-	25,434

10 Stocks

Stocks of £ nil (2009 £45,797) relate to work in progress, being payments made in advance to sub-contractors relating to the company's long-term contracts

Goldbeck Construction Limited

Notes to the financial statements for the year ended 31 March 2010 (continued)

11 Debtors

	2010	2009
	£	£
Trade debtors	2,776	105,398
Amounts recoverable on long term contracts	66,654	213,325
Amounts owed by group undertakings	-	276
Corporation tax	4,204	135,324
Deferred tax asset (note 14)	59,228	222,242
Other tax and social security	-	43,933
Other debtors	-	5,120
Prepayments and accrued income	351	16,005
	133,213	741,623

12 Creditors: amounts falling due within one year

	2010	2009
	£	£
Trade creditors	88,273	249,686
Amounts owed to group undertakings	3,637,950	1,226,348
Other tax and social security costs	13,167	3,850
Other creditors	29,440	24,946
Accruals and deferred income	15,124	169,039
	3,783,954	1,673,869

Amounts owed to group undertakings are unsecured, have no fixed date of repayment and are repayable on demand

Goldbeck Construction Limited

Notes to the financial statements for the year ended 31 March 2010 (continued)

13 Creditors: amounts falling due after more than one year

	2010	2009
	£	£
Other creditors	9,194	51,878

14 Deferred taxation

	2010	2009
	£	£
Accelerated capital allowances	(5,449)	(6,698)
Unrelieved trading losses	64,677	228,940
	59,228	222,242

	2010	2009
	£	£
At 1 April 2009	222,242	-
Deferred tax (charge)/credit in profit and loss account	(163,014)	222,242
At 31 March 2010	59,228	222,242

15 Called up share capital

	2010	2009
	£	£
Authorised		
100,000 ordinary shares of £1 each	100,000	100,000
Allotted, called up and fully paid		
25,000 ordinary shares of £1 each	25,000	25,000

Goldbeck Construction Limited

Notes to the financial statements for the year ended 31 March 2010 (continued)

16 Profit and loss reserve

	£
At 1 April 2009	511,153
Profit for the year	424,601
At 31 March 2010	935,754

17 Reconciliation of movement in shareholders' funds

	2010	2009
	£	£
Profit/(Loss) for the financial year	424,601	(573,420)
Opening shareholders' funds	536,153	1,109,573
Closing shareholders' funds	960,754	536,153

18 Financial commitments

At 31 March 2010 the company had annual commitments under non-cancellable operating leases which expire as follows

	Land and buildings		Others	
	2010	2009	2010	2009
	£	£	£	£
Within one year	-	-	-	3,526
Within two to five years	53,311	53,311	11,470	17,237
	53,311	53,311	11,470	20,763

Goldbeck Construction Limited

Notes to the financial statements for the year ended 31 March 2010 (continued)

19 Related party transactions

Related party transactions and balances are as follows

	2010	2009
	£	£
Goldbeck International GmbH – immediate parent undertaking		
Purchase of construction materials	(1,024,160)	(444,683)
Interest on intercompany net funding	(122,610)	(63,851)
Management charges	(36,264)	(31,756)
<hr/>		
Balance payable at 31 March	(3,637,950)	(1,226,348)
<hr/>		
Goldbeck Prefabeton s.r.o – fellow subsidiary undertaking		
Balance receivable at 31 March	-	276

20 Control and ownership

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