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**EIFFEL STEELWORKS LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2010**

**Company Registration Number 06007465**

**RSM Tenon Limited**

1st Floor, West Wing  
Davidson House  
Forbury Square  
Reading  
Berkshire  
RG1 3EU

**EIFFEL STEELWORKS LIMITED**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2010**

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**EIFFEL STEELWORKS LIMITED**  
**OFFICERS AND PROFESSIONAL ADVISERS**  
**YEAR ENDED 31 DECEMBER 2010**

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<b>The board of directors</b>	J Huillard G Mawdesley M De Mareuil
<b>Business address</b>	Unit 40 Wigan Enterprise Park Seaman Way Ince Wigan WN2 2LE
<b>Registered office</b>	Unit 40 Wigan Enterprise Park Seaman Way Ince Wigan WN2 2LE
<b>Auditor</b>	RSM Tenon Audit Limited Davidson House Forbury Square Reading Berkshire RG1 3EU
<b>Accountants</b>	RSM Tenon Limited 1st Floor, West Wing Davidson House Forbury Square Reading Berkshire RG1 3EU

**EIFFEL STEELWORKS LIMITED**  
**THE DIRECTORS' REPORT**  
**YEAR ENDED 31 DECEMBER 2010**

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The directors present their report and the financial statements of the company for the year ended 31 December 2010

**Principal activities**

The principal activity of the company during the period was that of steel fabrication and erection

**Directors**

The directors who served the company during the year were as follows

J Huillard  
G Mawdesley  
M De Mareuil

**Directors' responsibilities**

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 elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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 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, 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.

In so far as the directors are, individually, aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

**Auditor**

RSM Tenon Audit Limited are deemed to be reappointed under section 487(2) of the Companies Act 2006.

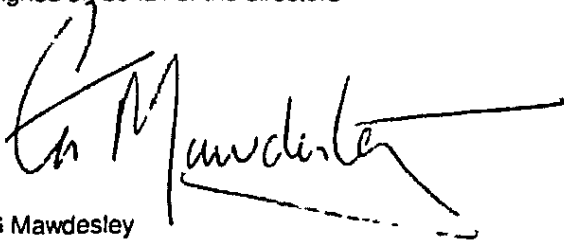
**EIFFEL STEELWORKS LIMITED**  
**THE DIRECTORS' REPORT** *(continued)*  
**YEAR ENDED 31 DECEMBER 2010**

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**Small company provisions**

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

Signed on behalf of the directors

A handwritten signature in black ink, appearing to read 'G Mawdesley', with a long horizontal stroke extending to the right.

G Mawdesley

Director

Approved by the directors on 20/09/11.

**EIFFEL STEELWORKS LIMITED**  
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EIFFEL**  
**STEELWORKS LIMITED**  
**YEAR ENDED 31 DECEMBER 2010**

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We have audited the financial statements of Eiffel Steelworks Limited for the year ended 31 December 2010 on pages 6 to 14. 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).

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 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 auditor**

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 Auditing Practices Board'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 directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. 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 2010 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 matters 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.

**EIFFEL STEELWORKS LIMITED**  
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EIFFEL**  
**STEELWORKS LIMITED** *(continued)*  
**YEAR ENDED 31 DECEMBER 2010**

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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, or
- the directors were not entitled to prepare the directors' report in accordance with the small companies regime

*RSM Tenon Audit Limited*

Mayulee Pinkerton, Senior Statutory Auditor  
For and on behalf of

RSM Tenon Audit Limited  
Statutory Auditor  
Davidson House  
Forbury Square  
Reading  
Berkshire  
RG1 3EU

*30/09/2011*

**EIFFEL STEELWORKS LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 31 DECEMBER 2010**

	Note	2010 £	2009 £
<b>Turnover</b>	3	2,909,378	2,029,835
Cost of sales		(2,798,372)	(1,839,055)
<b>Gross profit</b>		<u>111,006</u>	<u>190,780</u>
Administrative expenses		(874,376)	(1,155,181)
<b>Operating loss</b>	4	<u>(763,370)</u>	<u>(964,401)</u>
Interest payable and similar charges	7	(185)	(374)
<b>Loss on ordinary activities before taxation</b>		<u>(763,555)</u>	<u>(964,775)</u>
Tax on loss on ordinary activities	8	–	–
<b>Loss for the financial year</b>		<u>(763,555)</u>	<u>(964,775)</u>

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the year as set out above

The notes on pages 8 to 14 form part of these financial statements



**IEFFEL STEELWORKS LIMITED**  
Registered Number 06007465

**BALANCE SHEET**

**31 DECEMBER 2010**

	Note	2010 £	2009 £
<b>Fixed assets</b>			
Intangible assets	9	-	35,000
Tangible assets	10	1,300,201	1,398,796
		<u>1,300,201</u>	<u>1,433,796</u>
<b>Current assets</b>			
Stocks	11	968	79,695
Debtors	12	567,866	489,395
Cash at bank and in hand		26,752	318,919
		<u>595,586</u>	<u>888,009</u>
<b>Creditors: Amounts falling due within one year</b>	13	<u>(4,347,974)</u>	<u>(4,010,437)</u>
<b>Net current liabilities</b>		<u>(3,752,388)</u>	<u>(3,122,428)</u>
<b>Total assets less current liabilities</b>		<u>(2,452,187)</u>	<u>(1,688,632)</u>
<b>Capital and reserves</b>			
Called-up share capital	16	1	1
Profit and loss account	17	(2,452,188)	(1,688,633)
<b>Shareholders' funds</b>	18	<u>(2,452,187)</u>	<u>(1,688,632)</u>

These financial statements were approved by the directors and authorised for issue on 20/09/11 and are signed on their behalf by

  
G Mawdesley  
Director

The notes on pages 8 to 14 form part of these financial statements.

**EIFFEL STEELWORKS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2010**

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**1. Accounting policies**

**Basis of accounting**

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

**Cash flow statement**

The company has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is small

**Turnover**

Turnover represents amounts charged to clients for the performance of fabrication services provided during the period excluding VAT and trade discounts

Turnover is recognised when a right to consideration has been obtained through performance under each contract. Consideration accrues as contract activity progresses by reference to the value of the work performed. Turnover is not recognised where the right to payment is contingent on events outside the control of the company.

Unbilled revenue is included in debtors as accrued income. Amounts billed on account of contracts in progress are shown as deferred revenue, to the extent that they are not recognised as revenue.

**Goodwill**

Positive purchased goodwill arising on acquisitions is capitalised, classified as an asset on the balance sheet and amortised over its estimated useful economic life of 2 years. Provision is made for any impairment in its value. The useful economic life is the expected period over which the company expects to derive an economic benefit, and is reviewed on annual basis.

**Amortisation**

Amortisation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the estimated useful economic life of that asset as follows:

Goodwill - 2 years

**Tangible fixed assets**

Tangible fixed assets are stated at cost less depreciation. Cost represents purchase price together with any incidental costs of acquisition. Tangible fixed assets are stated at cost less depreciation. Cost represents purchase price together with any incidental costs of acquisition.

**Depreciation**

Depreciation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the useful economic life of that asset as follows:

Leasehold Property - over the term of the lease  
Plant & Machinery - 10 years straight line  
Fixtures & Fittings - 10 years straight line

**EIFFEL STEELWORKS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2010**

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**1. Accounting policies *(continued)***

**Stocks and work in progress**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Net realisable value is the anticipated sales proceeds less any costs of disposal.

**Work in progress**

Work in progress is valued on the basis of direct material and labour costs plus attributable overheads based on a normal level of activity. For long term contracts, profit is recognised by reference to the stage of completion of each contract where there is reasonable certainty that the contract will be profitable. Where the outcome of the contract cannot be established with reasonable certainty, no profit is recognised. Foreseeable losses are provided for in full at the point at which the loss is anticipated.

**Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

**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 have occurred at that date that will result in an obligation to pay more tax, or a right to pay less tax, or a right to receive repayments of tax.

Deferred tax assets are recognised only to the extent that the directors consider it 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 assets and liabilities recognised have not been discounted. Deferred tax is measured on a non-discounted basis at the average tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

**Foreign currencies**

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Non-monetary assets and liabilities and transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

**Financial instruments**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

**EIFFEL STEELWORKS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2010**

**2. Basis of preparation - going concern**

The financial statements have been prepared on the going concern basis. The directors believe this basis of preparation to be appropriate as the intermediate parent company, Eiffel Construction Metallique SA, has provided a written undertaking not to withdraw existing funds and to provide additional funding for at least 12 months from the date of approval of these financial statements to enable the company to continue to trade and meet its obligations as they fall due.

The directors are confident that the promised support will be forthcoming and accordingly the financial statements do not contain any adjustments which may arise if the parent company support was withdrawn.

**3. Turnover**

The turnover and loss before tax are attributable to the one principal activity of the company.

An analysis of turnover is given below:

	2010 £	2009 £
United Kingdom	1,748,321	1,202,493
Overseas	1,161,057	827,342
	<u>2,909,378</u>	<u>2,029,835</u>

**4. Operating loss**

Operating loss is stated after charging:

	2010 £	2009 £
Directors' remuneration	—	—
Amortisation of intangible assets	35,000	35,000
Depreciation of owned fixed assets	125,787	122,952
Operating lease costs		
- Plant and machinery	—	440
- Other	128,992	98,499
Net loss on foreign currency translation	417	—
Auditor's remuneration - audit of the financial statements	12,000	12,000
Auditor's remuneration - other fees	3,290	4,826
	<u>2010 £</u>	<u>2009 £</u>
Auditor's remuneration - audit of the financial statements	12,000	12,000
Auditor's remuneration - other fees		
- Taxation services	2,150	2,676
- Other services	1,140	2,150
	<u>3,290</u>	<u>4,826</u>

Other fees as detailed above relate to services provided by an associate of the auditor.

**EIFFEL STEELWORKS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2010**

**5. Particulars of employees**

The average number of staff employed by the company during the financial year amounted to

	<b>2010</b>	<b>2009</b>
	<b>No</b>	<b>No</b>
Number of production staff	31	29
Number of administrative staff	4	4
Number of management staff	2	2
	<u>37</u>	<u>35</u>

The aggregate payroll costs of the above were

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Wages and salaries	879,789	1,023,962
Social security costs	93,987	89,113
	<u>973,776</u>	<u>1,113,075</u>

**6. Directors emoluments**

During the year the directors of the company were remunerated by other companies within the group

**7. Interest payable and similar charges**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Interest payable on bank borrowing	<u>185</u>	<u>374</u>

**8. Taxation on ordinary activities**

**Factors affecting current tax charge**

The tax assessed on the loss on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 28% (2009 - 28%)

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Loss on ordinary activities before taxation	<u>(763,555)</u>	<u>(964,775)</u>
Loss on ordinary activities by rate of tax	(213,795)	(270,137)
Effects of		
Expenses not deductible for tax purposes	7,852	7,794
Capital allowances for period in excess of depreciation	20,142	(37,024)
Unrelieved tax losses	185,801	296,133
Other short term timing differences	-	3,234
Total current tax	<u>-</u>	<u>-</u>

**EIFFEL STEELWORKS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2010**

**8. Taxation on ordinary activities (continued)**

**Factors that may affect future tax charges**

Due to tax losses available and fixed asset timing differences, the company has a deferred tax asset of £637,000 (2009 - £431,000) which has not been recognised in the balance sheet. The deferred tax asset would only be recognised to the extent that it is considered more likely than not that suitable taxable profit will arise from which the future reversal of underlying timing differences can be deducted.

**9. Intangible fixed assets**

	<b>Goodwill £</b>
<b>Cost</b>	
At 1 January 2010 and 31 December 2010	<u>145,470</u>
<b>Amortisation</b>	
At 1 January 2010	110,470
Charge for the year	<u>35,000</u>
At 31 December 2010	<u>145,470</u>
<b>Net book value</b>	
At 31 December 2010	<u>—</u>
At 31 December 2009	<u>35,000</u>

**10. Tangible fixed assets**

	<b>Leasehold Property £</b>	<b>Plant &amp; Machinery £</b>	<b>Fixtures &amp; Fittings £</b>	<b>Total £</b>
<b>Cost</b>				
At 1 January 2010	266,588	1,335,949	35,900	1,638,437
Additions	—	22,680	4,512	27,192
Transfers	—	(48,565)	48,565	—
At 31 December 2010	<u>266,588</u>	<u>1,310,064</u>	<u>88,977</u>	<u>1,665,629</u>
<b>Depreciation</b>				
At 1 January 2010	37,285	193,985	8,371	239,641
Charge for the year	26,659	90,328	8,800	125,787
At 31 December 2010	<u>63,944</u>	<u>284,313</u>	<u>17,171</u>	<u>365,428</u>
<b>Net book value</b>				
At 31 December 2010	<u>202,644</u>	<u>1,025,751</u>	<u>71,806</u>	<u>1,300,201</u>
At 31 December 2009	<u>229,303</u>	<u>1,141,964</u>	<u>27,529</u>	<u>1,398,796</u>

**EIFFEL STEELWORKS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2010**

**11 Stocks**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Raw materials	968	35,448
Work in progress	–	44,247
	<u>968</u>	<u>79,695</u>

**12 Debtors**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Trade debtors	529,663	24,325
Amounts owed by group undertakings	–	290,785
VAT recoverable	2,468	53,947
Other debtors	1,297	1,298
Prepayments and accrued income	34,438	119,040
	<u>567,866</u>	<u>489,395</u>

**13 Creditors' Amounts falling due within one year**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Trade creditors	352,257	268,301
Amounts owed to group undertakings	3,937,752	3,629,520
PAYE and social security	20,124	21,604
Other creditors	11,347	9,713
Accruals and deferred income	26,494	81,299
	<u>4,347,974</u>	<u>4,010,437</u>

**14. Commitments under operating leases**

At 31 December 2010 the company had annual commitments under non-cancellable operating leases as set out below

	<b>Land and buildings 2010 £</b>	<b>Land and buildings 2009 £</b>
Operating leases which expire Within 2 to 5 years	<u>95,250</u>	<u>93,614</u>

**15. Related party transactions**

The company has taken advantage of the exemption in FRS 8 from disclosing transactions entered into between members of its group, on the basis that it is a subsidiary undertaking and a wholly owned member of that group

**EIFFEL STEELWORKS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2010**

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**16. Share capital**

**Allotted, called up and fully paid:**

	2010		2009	
	No	£	No	£
1 Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

**17 Profit and loss account**

	2010	2009
	£	£
Balance brought forward	(1,688,633)	(723,858)
Loss for the financial year	(763,555)	(964,775)
Balance carried forward	<u>(2,452,188)</u>	<u>(1,688,633)</u>

**18. Reconciliation of movements in shareholders' funds**

	2010	2009
	£	£
Loss for the financial year	(763,555)	(964,775)
Opening shareholders' deficit	(1,688,632)	(723,857)
Closing shareholders' deficit	<u>(2,452,187)</u>	<u>(1,688,632)</u>

**19. Ultimate controlling party**

The directors regard Eiffel (UK) Limited, a company registered in England and Wales, to be the immediate parent undertaking

Eiffel (UK) Limited is a wholly owned subsidiary of Eiffel Construction Metallique SA, a company registered in France Eiffel Construction Metallique SA is part of the Eiffage SA group

The directors also regard Eiffage SA, a company registered in France, to be the ultimate parent undertaking and the largest group for which consolidated financial statements, which include Eiffel Steelworks Limited, are prepared

A copy of the consolidated financial statements of Eiffage SA can be obtained from 48-50 rue de Seine, 92707 Colombes, Cedex, France

The directors consider there to be no controlling party