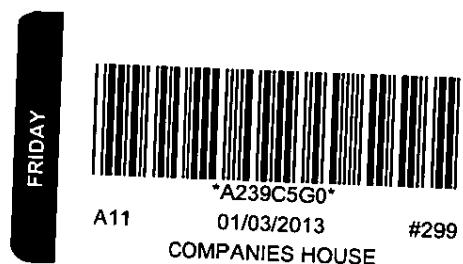


Financial Statements

Conder M & E Limited

For the year ended 30 June 2012



Registered number: 06025021

Conder M & E Limited

Company Information

Directors	R S Mochor P Reid
Company secretary	M M Secretariat Limited
Company number	06025021
Registered office	Environment House 6 Union Road Nottingham NG3 1FH
Auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor Regent House 80 Regent Road East Midlands LE1 7NH

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Directors' Report

For the year ended 30 June 2012

The directors present their report and the financial statements for the year ended 30 June 2012

Principal activities

The company's principal activities during the year were the design and installation of electrical and engineering infrastructure to the construction industry. As at the year end, the company had wound down its trading operations and will incur minor property related expenditure only going forward.

Directors

The directors who served during the year were

R S Mochor
P Reid

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 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 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,
- 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.

Provision of information to auditor

Each of the persons who is a director 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 auditor is 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 information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information.

Conder M & E Limited

Directors' Report

For the year ended 30 June 2012

Auditor

Under section 487(2) of the Companies Act 2006, Grant Thornton UK LLP, who were appointed as auditor during the period will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier

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 on 14 December 2012 and signed on its behalf



R S Mochor
Director



Independent Auditor's Report to the Members of Conder M & E Limited

We have audited the financial statements of Conder M & E Limited for the year ended 30 June 2012, 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 the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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, 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Auditing Practices Board's website at www.frc.org.uk/apb/scope/private.cfm.

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 30 June 2012 and of its loss 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.

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 Auditor's Report to the Members of Conder M & E Limited

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 financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' report

A handwritten signature in black ink, appearing to read "Paul Houghton UK LLP".

Paul Houghton (Senior statutory auditor)
for and on behalf of
Grant Thornton UK LLP
Chartered Accountants
Statutory Auditor
East Midlands

Date 19 December 2012

Profit and Loss Account

For the year ended 30 June 2012

	Note	2012 £	2011 £
Turnover	1	980,444	3,509,209
Cost of sales		<u>(1,186,962)</u>	<u>(4,257,581)</u>
Gross loss		(206,518)	(748,372)
Administrative expenses		<u>(475,532)</u>	<u>(1,057,205)</u>
Operating loss	2	(682,050)	(1,805,577)
Interest payable and similar charges	4	<u>(60,443)</u>	<u>(21,757)</u>
Loss on ordinary activities before taxation		(742,493)	(1,827,334)
Tax on loss on ordinary activities	5	<u>636,436</u>	<u>-</u>
Loss for the financial year	10	<u>(106,057)</u>	<u>(1,827,334)</u>

The notes on pages 7 to 11 form part of these financial statements


Balance Sheet

As at 30 June 2012

	Note	£	2012 £	2011 £
Fixed assets				
Tangible assets	6		9,076	28,126
Current assets				
Stocks		36,089	-	
Debtors	7	60,642	68,226	
Cash at bank and in hand		1,407	900	
		<u>98,138</u>	<u>69,126</u>	
Creditors, amounts falling due within one year	8	<u>(2,548,004)</u>	<u>(2,431,985)</u>	
Net current liabilities			<u>(2,449,866)</u>	<u>(2,362,859)</u>
Net liabilities			<u>(2,440,790)</u>	<u>(2,334,733)</u>
Capital and reserves				
Called up share capital	9		100,000	100,000
Profit and loss account	10		<u>(2,540,790)</u>	<u>(2,434,733)</u>
Shareholders' deficit			<u>(2,440,790)</u>	<u>(2,334,733)</u>

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 14 December 2012


R S Mochor
Director

The notes on pages 7 to 11 form part of these financial statements

Notes to the Financial Statements

For the year ended 30 June 2012

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

1.2 Going concern

The company has incurred a loss during the period and has net liabilities at the balance sheet date. Notwithstanding this, the directors believe that it is appropriate to adopt the going concern basis in the preparation of the financial statements. In reaching this conclusion the directors have taken into account the group support provided to the company by Melham Group Limited, the ultimate parent undertaking.

1.3 Cash flow

The financial statements do not include a Cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective April 2008).

1.4 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

1.5 Contract activity

Profit on contracts is recognised as the work is carried out if the final outcome can be assessed with reasonable certainty. The profit recognised is calculated on a prudent basis to reflect the proportion of the work carried out at the year end, by recording turnover and related costs as contract activity progresses. Turnover is calculated as that proportion of total contract value to which a right to consideration has been earned. Revenues derived from variations on contracts are recognised only when they have been accepted by the customer. Full provision is made for losses on all contracts in the year in which they are first foreseen.

Amounts recoverable on contracts are included within debtors and comprise any excess of cumulative work done for a contract over cumulative payments received for that contract, and after any provisions for losses.

Cash received on account for contracts is deducted from amounts recoverable on contracts. Such amounts which have been received and exceed amounts recoverable are included within creditors.

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant & machinery	- 20-33% straight line
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Notes to the Financial Statements

For the year ended 30 June 2012

1. Accounting Policies (continued)

1.7 Operating leases

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term

1.8 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation

A net deferred tax asset is recognised only if 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse

Deferred tax assets and liabilities are not discounted

2. Operating loss

The operating loss is stated after charging

	2012 £	2011 £
Depreciation of tangible fixed assets		
- owned by the company	8,050	7,172
Auditor's remuneration	1,500	5,000
Pension costs	4,944	19,783
	<u> </u>	<u> </u>

3. Directors' remuneration

	2012 £	2011 £
Aggregate emoluments	-	85,372
	<u> </u>	<u> </u>

During the year retirement benefits were accruing to no directors (2011 - 2) in respect of defined contribution pension schemes

Notes to the Financial Statements

For the year ended 30 June 2012

4. Interest payable

	2012	2011
	£	£
On other loans	-	6
On loans from group undertakings	60,443	21,751
	<u>60,443</u>	<u>21,757</u>

5. Taxation

	2012	2011
	£	£
Analysis of tax charge in the year		
Prior year group taxation relief adjustment	(432,389)	-
Current year group taxation relief	(204,047)	-
	<u>(636,436)</u>	<u>-</u>
Tax on loss on ordinary activities		

6. Tangible fixed assets

	Plant & machinery £
Cost	
At 1 July 2011	37,655
Disposals	(11,000)
At 30 June 2012	<u>26,655</u>
Depreciation	
At 1 July 2011	9,529
Charge for the year	8,050
At 30 June 2012	<u>17,579</u>
Net book value	
At 30 June 2012	<u>9,076</u>
At 30 June 2011	<u>28,126</u>

Notes to the Financial Statements

For the year ended 30 June 2012

7. Debtors

	2012	2011
	£	£
Trade debtors	59,351	2,824
VAT repayable	-	2,360
Other debtors	1,291	50,505
Amounts recoverable on long term contracts	-	12,537
	<u>60,642</u>	<u>68,226</u>

8. Creditors:

Amounts falling due within one year

	2012	2011
	£	£
Bank loans and overdrafts	-	84,114
Payments received on account	-	11,166
Trade creditors	46,991	555,867
Amounts owed to group undertakings	2,395,142	1,656,560
Amounts owed to other participating interest	56,625	-
Social security and other taxes	21,692	30,433
Provisions for losses on contracts	-	48,877
Other creditors	27,554	44,968
	<u>2,548,004</u>	<u>2,431,985</u>

9. Share capital

	2012	2011
	£	£
Allotted, called up and fully paid		
100,000 Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>

10. Reserves

	Profit and loss account £
At 1 July 2011	(2,434,733)
Loss for the year	(106,057)
At 30 June 2012	<u>(2,540,790)</u>

Notes to the Financial Statements

For the year ended 30 June 2012

11. Operating lease commitments

At 30 June 2012 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings	
	2012	2011
	£	£
Expiry date:		
After more than 5 years	-	49,200

12. Related party transactions

The company has taken advantage of the exemptions available under FRS 8 from the disclosures relating to transactions with other group companies

During the year to June 2012 the company received £nil (2011 £69,296) on behalf of Environment Design Consultants, and entity under common control, and incurred related costs of £14,420 (2011 £1,994). The company also made sales to Environmental Design Consultants of £7,121 (2011 £6,370) in relation to repairs work carried out. In addition, £nil (2011 £16,400) was accrued during the year for rental charges from Environmental Design Consultants. The balance owing to Environment Design Consultants at the year end was £58,722 (2011 £154,868).

13. Ultimate parent undertaking and controlling party

The company's immediate parent undertaking is Conder Structures Limited and its ultimate parent undertaking is Melham Group Limited.

Melham Group Limited is ultimately controlled by Mr N R Puri.