

Report and Accounts

Higgs & Hill Overseas Limited

Registered No. 785092

**For the year ended
31 December 2009**

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COMPANIES HOUSE

Higgs & Hill Overseas Limited

DIRECTORS

G K Mazloumian
P T McNicholas
M R Bellamy

SECRETARY

P T McNicholas

INDEPENDENT AUDITORS

Ernst & Young LLP
1 More London Place
London SE1 2AF

REGISTERED OFFICE

Breakspear Park
Breakspear Way
Hemel Hempstead
Hertfordshire
HP2 4FL

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2009

The directors present their report and audited financial statements for the year ended 31 December 2009

RESULTS AND DIVIDENDS

The company's loss for the financial year was £11,758 (2008 loss of £42,683) which will be transferred to reserves. The directors are unable to recommend the payment of a dividend (2008 £nil)

PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

The company continues to be engaged in building construction operations worldwide. The level of activity and turnover were heavily decreased in 2009 and resulted in a lower turnover and gross profit.

The directors expect the company to continue to be engaged in building construction operations worldwide for the foreseeable future.

DIRECTORS

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

G K Mazlounian

N Dirkzwager (resigned 1 December 2009)

P T McNicholas

M R Bellamy (appointed 1 December 2009)

GOING CONCERN

The directors believe that preparing the accounts on the going concern basis is appropriate due to the continued financial support of the immediate parent company, BAM Group (UK) Limited. The directors have received confirmation that BAM Group (UK) Limited will provide operational and financial support for the foreseeable future.

QUALIFYING THIRD PARTY INDEMNITY PROVISIONS FOR DIRECTORS

The company's ultimate parent undertaking maintains liability and indemnity insurance for its directors and officers. This provision has been in place throughout the year, and remains in place as at the date of approving the directors' report.

AUDITORS AND DISCLOSURE OF INFORMATION TO AUDITORS


Ernst & Young LLP have been appointed as auditors for the year 2009.

Each of the persons who is a director at the date of approval of this report confirms that

- (1) so far as the director is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the Company's auditor is unaware, and
- (2) having made enquiries of fellow directors and the Company's auditor, each director has taken all the steps that he/she is obliged to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 2006 relating to small companies. Accordingly the company has taken the exemption available to small companies under section 417 of the Companies Act 2006 and does not present a business review.

On behalf of the board,



Director

G K Mazlounian

22 September 2010

STATEMENT OF 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 these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and accounting 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 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HIGGS & HILL OVERSEAS LIMITED

We have audited the financial statements of Higgs & Hill Overseas Limited for the year ended 31 December 2009 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes 1 to 13. 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 auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 3, 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 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

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 December 2009 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 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.

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.

Ernst & Young LLP

Peter Campbell (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London

27 September 2010

Higgs & Hill Overseas Limited

PROFIT AND LOSS ACCOUNT for the year ended 31 December 2009

	Notes	2009 £	2008 £
Turnover	2	2,709	2,883,765
Cost of sales		<u>(2,630)</u>	<u>(2,799,753)</u>
Gross profit		79	84,012
Administrative expenses		<u>(18,360)</u>	<u>(74,709)</u>
(Loss)/Profit on ordinary activities before taxation	3	(18,281)	9,303
Tax on (loss)/profit on ordinary activities	5	<u>6,523</u>	<u>(51,986)</u>
Loss for the financial year		<u><u>(11,758)</u></u>	<u><u>(42,683)</u></u>

All amounts relate to continuing operations

Statement of Total Recognised Gains and Losses

The company had no recognised gains or losses other than its loss of £ 11,758 for the year ended 31 December 2009 (2008 loss of £42,683)

Higgs & Hill Overseas Limited

BALANCE SHEET As at 31 December 2009

	Notes	2009 £	2008 £
Fixed Assets			
Investments	6	<u>94</u>	<u>94</u>
Current Assets			
Debtors	7	774,882	1,333,326
Creditors, amounts falling due within one year	8	<u>(1,746,603)</u>	<u>(2,293,289)</u>
Net Current Liabilities		<u>(971,721)</u>	<u>(959,963)</u>
Total Assets less Current Liabilities		(971,627)	(959,869)
Net Liabilities		<u>(971,627)</u>	<u>(959,869)</u>
Capital and Reserves			
Called up share capital	9	1,000	1,000
Profit and loss account	10	<u>(972,627)</u>	<u>(960,869)</u>
Total equity shareholder's deficit	10	<u>(971,627)</u>	<u>(959,869)</u>

The financial statements on pages 5 to 10 were approved by the board of directors on 22 September 2010 and were signed on its behalf by



Director
G K Mazlounian

NOTES TO THE ACCOUNTS

for the year ended 31 December 2009

1 ACCOUNTING POLICIES

Basis of preparation

The accounts are prepared under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom

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, or a right to pay less or to receive more, tax, with the following exception

- Deferred tax assets are recognised only to the extent that the directors consider that it is 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 is measured on an undiscounted basis at the 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

Group accounts

Group accounts are not produced as the company is a wholly owned subsidiary of Koninklijke BAM Groep n v , a company incorporated in The Netherlands, which prepares and files group accounts which incorporate the activities of Higgs & Hill Overseas Limited and its subsidiaries. Consequently, the company has taken advantage of the exemption from preparing consolidated financial statements under the terms of section 400 of the Companies Act 2006

Investments

Investments in subsidiary undertakings are recorded at cost plus incidental expenses, less any provision for impairment. Impairment reviews are performed by the directors when there has been an indication of potential impairment

Related parties

Advantage has been taken of the exemption in FRS8, not to disclose details of transactions between wholly owned group undertakings

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction or at the contracted rate if the transaction is covered by a forward foreign currency contract. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date or if appropriate at the forward contract rate. All differences are taken to the profit and loss account

Leases

Rentals receivable and payable under operating leases are credited and charged to the profit and loss account on a straight-line basis over the lease term respectively

Higgs & Hill Overseas Limited

2 TURNOVER

Turnover, which is stated net of value added tax, represents revenue for services provided in the year. Turnover arises solely from one continuing class of business, the leasing of construction equipment under operating leases. All of the company's turnover has a destination of the Middle East and originated in the Netherlands.

3 (LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The loss on ordinary activities before taxation is stated after charging £12,000 (2008 £18,975) of fees payable to the company's auditor for the company's statutory audit.

Additionally, the loss on ordinary activities before taxation is stated after charging operating lease rentals of plant and machinery of £ 2,630 (2008 £2,799,753).

4 DIRECTORS' EMOLUMENTS

Total emoluments (including pension contributions) paid to the directors of Higgs & Hill Overseas Limited for their services as directors of the company were £nil (2008 £nil). G. Mazloumian, N. Dirkzwager and M. Bellamy are also directors of BAM International bv, a related party. Their remuneration for the year, all of which is paid by BAM International bv, is disclosed in the accounts of that company. They received no remuneration for their services as directors of this company. P. T. McNicholas received remuneration from BAM Construct UK Limited, a related party, as employee of that company. He received no remuneration for his services as director of this company.

5 TAXATION

	2009 £	2008 £
Current tax		
UK corporation tax at 28% (2008 28.5%)	-	12,170
UK corporation tax prior years	(6,701)	39,994
Total current tax	<u>(6,701)</u>	<u>52,164</u>
Deferred tax		
Origination and reversal of timing differences	178	(178)
Total deferred tax	<u>178</u>	<u>(178)</u>
Total tax (credit)/ charge for the year	<u>(6,523)</u>	<u>51,986</u>

The tax assessed for the period differs from the standard rate of corporation tax in the UK of 28% (2008 28.5%). The differences are explained below.

	2009 £	2008 £
(Loss)/Profit on ordinary activities before tax	(18,281)	9,303
(Loss)/Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2008 28.5%)	(5,119)	2,651
Effects of		
Tax losses carried back to previous periods	6,490	-
Adjustments in respect of previous periods	(6,701)	39,994
Expenses not deductible for tax purposes	1,116	9,567
Non-taxable income	(2,309)	-
Capital allowance in excess of depreciation	(178)	(48)
Total current tax (credit)/charge	<u>(6,701)</u>	<u>52,164</u>

There are no unprovided deferred tax liabilities.

Higgs & Hill Overseas Limited

6 INVESTMENTS

Subsidiary undertakings

	Subsidiaries £
Cost	
At 1 January 2009	2,525
Disposal	<u>(2,431)</u>
At 31 December 2009	<u>94</u>
Amounts provided:	
At 1 January 2009	2,431
Disposal	<u>(2,431)</u>
At 31 December 2009	<u>-</u>
Net book value*	
At 31 December 2009	<u>94</u>
At 1 January 2009	<u>94</u>

The following are wholly owned subsidiary undertakings of the company

Incorporated in Jamaica

Higgs & Hill Jamaica Limited

Dormant

Incorporated in St Kitts

Higgs & Hill St Kitts Limited

Dormant

7 DEBTORS

	2009 £	2008 £
Deferred tax	-	178
Prepayments and accrued income	42,140	228,585
Amounts receivable from group undertakings	<u>732,742</u>	<u>1,104,563</u>
	<u>774,882</u>	<u>1,333,326</u>

Amounts receivable from group undertakings are unsecured, payable on demand and interest free

8 CREDITORS: amounts falling due within one year

	2009 £	2008 £
Amounts due to group undertakings	1,713,027	2,083,546
Corporation tax creditor	5,776	12,266
Accruals and deferred income	<u>27,800</u>	<u>197,477</u>
	<u>1,746,603</u>	<u>2,293,289</u>

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8 CREDITORS: amounts falling due within one year (continued)

£ 1,400,000 of amounts due to group undertakings is secured by a first floating charge over all of the company's present and future undertakings, property, rights and assets (2008 £1,712,936) All amounts due to group undertakings are repayable on demand and interest free

9 CALLED UP SHARE CAPITAL

	2009 £	2008 £
Authorised, allotted, called up and fully paid 1,000 (2008 1,000) Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

10 RECONCILIATION OF SHAREHOLDER'S DEFICIT AND MOVEMENTS ON RESERVES

	Called up Share capital 2009 £	Profit and loss account 2009 £	Total share- holder's funds 2009 £	Total share- holder's funds 2008 £
At 1 January	1,000	(960,869)	(959,869)	(917,186)
Loss for the financial year	-	(11,758)	(11,758)	(42,683)
At 31 December	<u>1,000</u>	<u>(972,627)</u>	<u>(971,627)</u>	<u>(959,869)</u>

11 CONTINGENT LIABILITIES

There are contingent liabilities in respect of performance bonds and supplier guarantees given in the normal course of business. The directors do not consider that these will have any significant impact on the results of the business.

12 CASH FLOW STATEMENT

As the company is a wholly owned subsidiary of Koninklijke BAM Groep n v, a company registered in the Netherlands, which prepares consolidated financial statements, the company has taken advantage of the exemption provided under FRS 1 (Revised) not to prepare a Cash Flow Statement.

13 ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The company's immediate parent undertaking is BAM Group (UK) Limited. The ultimate parent undertaking and controlling party is Koninklijke BAM Groep n v, a company incorporated in The Netherlands. The group accounts of the ultimate parent undertaking (the largest group of which the company is a member and for which group accounts are prepared) are available from this company's registered office.