

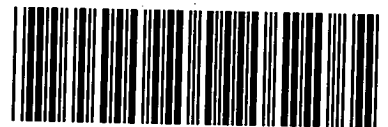
**Galliford Brick Factors Limited**

Annual report and Financial statements

For the year ended 30 June 2014

Registered number: 00451055

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# **Galliford Brick Factors Limited**

## **Contents**

	<b>Page(s)</b>
Directors and advisers	1
Strategic report	2
Directors' report	3 - 4
Income statement	5
Balance sheet	6
Statement of changes in equity	7
Notes to the financial statements	8 - 11

# **Galliford Brick Factors Limited**

## **Directors and advisers**

### **Directors**

AJ Duxbury  
KA Corbett

### **Company secretary**

Galliford Try Secretariat Services Limited

### **Registered office**

Cowley Business Park  
Cowley  
Uxbridge  
Middlesex  
UB8 2AL

### **Bankers**

Barclays Bank plc  
15 Colmore Row  
Birmingham  
B3 2WN

HSBC Bank plc  
70 Pall Mall  
London  
SW1Y 5EZ

## **Galliford Brick Factors Limited**

### **Strategic Report for the year ended 30 June 2014**

The directors present their strategic report of Galliford Brick Factors Limited ("the Company"), for the year ended 30 June 2014.

#### **Review of business**

The principal activity of the Company is the leasing out of its premises at Rochester, Kent.

The Company's lease expired in 2012, after which the Company has ceased to trade.

#### **Principal risks, uncertainties and key performance indicators**

From the perspective of the Company, the principal risks and uncertainties are integrated with that of Galliford Try plc and are not managed separately. These are discussed within the Group's annual report.

The directors of Galliford Try plc manage the group's operations on a divisional basis. For this reason, the Company's directors believe that analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business. The development, performance and position of Galliford Try plc, which includes the Company, is discussed in the Group's annual report, which does not form part of this report.

#### **General**

The Company's result for the year was £Nil (2013: £74,000), which will be added to reserves.

#### **By order of the board**

**Company Secretary**

30 January 2015

<p>For and on behalf of</p> <p><i>A.S. White</i></p> <p>Galliford Try Secretariat Services Limited</p>
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## **Galliford Brick Factors Limited**

### **Directors' report for the year ended 30 June 2014**

The directors present their annual report and the financial statements of Galliford Brick Factors Limited ("the Company"), registered number 00451055 for the year ended 30 June 2014.

#### **Future developments**

The directors do not anticipate any changes to the trading status of the Company in the foreseeable future.

#### **Dividends**

The directors do not recommend the payment of a dividend (2013: £Nil).

#### **Political and charitable donations**

The company is exempt from disclosing political and charitable donations as it is a wholly owned subsidiary incorporated in the United Kingdom.

#### **Financial risk management**

The Company's operations expose it to a variety of financial risks, including the effects of credit risk, liquidity risk, cash flow risk and interest rate risk. The policies to mitigate the potential impact of these financial risks are set by the directors, who monitor their effectiveness on a monthly basis during board meetings.

Where appropriate, credit checks are made prior to the acceptance of a new customer and these are reviewed on a periodic basis together with ongoing checks in respect of existing customers. Weekly reviews of the debtors ledger are carried out with the finance and sales teams and action initiated, as appropriate, to collect any overdue amounts, thus optimising the Company's liquidity position.

The rates of interest earned or paid on the group's cash balances and loans and overdrafts are monitored on an ongoing basis with regular reviews of the Galliford Try group banking arrangements. Deposits, loans and overdrafts are made with reference to these facilities, in conjunction with projections of future cash requirements.

The Galliford Try group actively maintains an appropriate level of cash reserves that are available for operations and planned expansions of the group as a whole. The group ensures that sufficient cash reserves are made available to its subsidiary undertakings.

#### **Directors**

The present directors of the Company are set out on page 1, all of whom served throughout the year and up to the date of signing the financial statements.

#### **Qualifying third-party and pension scheme indemnity provisions**

Following shareholders' approval, the Company has provided an indemnity for its directors and the company secretary, which is a qualifying third party indemnity provision for the purposes of the Companies Act 2006. This indemnity was in force throughout the year and up to the date of signing these financial statements.

## **Galliford Brick Factors Limited**

### **Directors' report for the year ended 30 June 2014 (continued)**

#### **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 prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 *Reduced Disclosure Framework* (FRS 101).

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;
- state whether applicable United Kingdom Accounting Standards, including FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 101 used in the preparation of 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 the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The report of the directors was approved by the board of directors on 30 January 2015 and signed by its order by:

<p>For and on behalf of</p> <p><i>A.S. White</i></p> <p>Galliford Try Secretariat Services Limited</p>
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Galliford Try Secretariat Services Limited  
**Company secretary**

## Galliford Brick Factors Limited

### Income statement for the year ended 30 June 2014

	Note	2014 £'000	2013 £'000
Revenue		–	–
Cost of sales		–	97
Result / profit before income tax		–	97
Income tax		–	(23)
Result / profit for the financial year		–	74

There are no recognised gains and losses other than those shown in the income statement above and therefore no separate statement of comprehensive income has been presented.

There is no material difference between the results shown in the income statement above and their historical cost equivalents for the financial year stated above.

All results are derived from continuing operations.

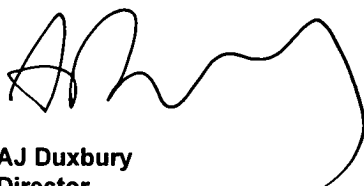
# Galliford Brick Factors Limited

## Balance sheet as at 30 June 2014

	Note	2014 £'000	2013 £'000
<b>Current assets</b>			
Cash and cash equivalents	5	62	85
<b>Total current assets</b>		<b>62</b>	<b>85</b>
<b>Total assets</b>		<b>62</b>	<b>85</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Current income tax liability	6	–	(23)
<b>Total current liabilities</b>		<b>–</b>	<b>(23)</b>
<b>Net current assets</b>		<b>62</b>	<b>62</b>
<b>Total liabilities</b>		<b>–</b>	<b>(23)</b>
<b>Net assets</b>		<b>62</b>	<b>62</b>
<b>Equity</b>			
Ordinary shares	7	40	40
Retained profit		22	22
<b>Total equity attributable to owners of the company</b>		<b>62</b>	<b>62</b>

- (a) For the year ended 30 June 2014 the Company was entitled to the exemption from audit under section 480 of the Companies Act 2006 relating to dormant companies.
- (b) The members have not required the Company to obtain an audit of its financial statements in accordance with section 476 of the Companies Act 2006.
- (c) The directors acknowledge their responsibility for:
- (i) complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.
  - (ii) preparing financial statements in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 'The Small Companies and Groups (Accounts and Directors' Report) Regulations 2008

The financial statements on pages 5 to 11 were approved by the Board of directors on 30 January 2015 and signed on its behalf by:



**AJ Duxbury**  
**Director**

Registered number: 00451055



## Galliford Brick Factors Limited

### Statement of changes in equity for the year ended 30 June 2014

	Ordinary shares £'000	Accumulated losses £'000	Total equity £'000
At 01 July 2012	40	(52)	(12)
Result for the financial year	–	74	74
At 01 July 2013	40	22	62
Profit for the financial year	–	–	–
At 30 June 2014	40	22	62

# Galliford Brick Factors Limited

## Notes to the financial statements for the year ended 30 June 2014

### 1. Accounting policies

#### General Information

Galliford Brick Factors Limited ('the Company') is a limited company incorporated, and domiciled in England and Wales (Registered number: 00451055). The address of the registered office is Galliford Brick Factors Limited, Cowley Business Park, Cowley, Uxbridge, Middlesex, UB8 2AL. Refer to note 10 for details of the immediate and ultimate parent undertaking.

The financial statements are measured and presented in pounds sterling as that is the currency of the primary economic environment in which the Company operates. The amounts stated are denominated in thousands (£'000).

#### Basis of accounting

These financial statements have been prepared in accordance with United Kingdom Accounting Standards, in particular, Financial Reporting Standard 101 *Reduced Disclosure Framework* (FRS 101) and the Companies Act 2006 (the Act). FRS 101 sets out a reduced disclosure framework for a 'qualifying entity' as defined in the standard which addresses the financial reporting requirements and disclosure exemptions in the individual financial statements of qualifying entities that otherwise apply the recognition, measurement and disclosure requirements of EU-adopted IFRS.

The Company is a qualifying entity for the purposes of FRS 101. Note 10 gives details of the Company's ultimate parent and from where its consolidated financial statements prepared in accordance with IFRS may be obtained.

FRS 101 sets out amendments to EU-adopted IFRS that are necessary to achieve compliance with the Act and related Regulations. The impact of these amendments to the Company's previously adopted accounting policies in accordance with EU-adopted IFRS was not material on the shareholders' equity as at the date of transition and as at 30 June 2014 and on the profit or loss for the year ended 30 June 2014.

The disclosure exemptions adopted by the Company in accordance with FRS 101 are as follows:

- The requirements of IAS 7 to present cash flow statement.
- The requirements of paragraph 45(b) and 46 to 52 of IFRS 2, Share Based Payments
- The requirements of IFRS 7, Financial Instrument Disclosures
- The requirements of paragraphs 91 to 99 of IFRS 13 fair value measurement
- The requirements of paragraph 30 and 31 of IAS 8 Accounting Policies
- The requirements of paragraph 17 of IAS 24, Related Party Transactions, and the requirements in IAS 24 to disclose related party transactions between two members of the Galliford Try group.
- The requirements of paragraph 134 of IAS 36 impairment of assets.

The financial statements have been prepared on the going concern basis and under the historical cost convention. A summary of the more important accounting policies is set out below.

## **Galliford Brick Factors Limited**

### **Notes to the financial statements for the year ended 30 June 2014 (continued)**

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

##### **Critical accounting estimates and judgments**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about the carrying value of assets and liabilities which are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

Management do not consider there to be any critical accounting estimates and judgments.

##### **Interest income and expense**

Interest income and expense is recognised on a time proportion basis using the effective interest method.

##### **Income tax**

Current income tax is based on the taxable profit for the year. Taxable profit differs from profit before taxation recorded in the income statement because it excludes items of income or expense that are taxable or deductible in other years or that are never taxable or deductible. The liability for current tax is calculated using rates that have been enacted, or substantively enacted, by the balance sheet date.

The Company surrenders tax losses and other allowances by group relief to other Galliford Try group companies. The party accepting such surrender pays the company an amount equal to the amount of tax such accepting party would have paid but for such surrender.

Deferred income tax is provided using the balance sheet liability method, providing for all temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred income tax is accounted for on an undiscounted basis. A deferred tax asset is only recognised when it is more likely than not that the asset will be recoverable in the foreseeable future out of suitable taxable profits from which the underlying temporary differences can be deducted.

Deferred income tax is charged or credited through the income statement, except when it relates to items charged or credited through the statement of comprehensive income, when it is charged or credited there.

##### **Cash and cash equivalents**

Cash and cash equivalents are carried in the balance sheet at nominal value. For the purposes of the cash flow statement, cash and cash equivalents comprise cash at bank and in hand, including bank deposits with original maturities of three months or less. Bank overdrafts are also included as they are an integral part of the Company's cash management.

Bank deposits with an original term of more than three months are classified as short term deposits where the cash can be withdrawn on demand and the penalty for early withdrawal is not significant.

## **Galliford Brick Factors Limited**

### **Notes to the financial statements for the year ended 30 June 2014 (continued)**

#### **2. Employees and directors**

The company had no employees during the year (2013: nil).

#### **Remuneration of key management personnel**

The key management personnel comprise the directors of the Company. The directors receive no emoluments for the services as directors of the company (2013: £nil).

#### **3. Profit/result before income tax**

##### **Services provided by the Company's auditors**

The auditors remuneration of £1,000 (2013: £1,000) is borne by Galliford Try Services Limited, a fellow subsidiary undertaking.

#### **4. Taxation on profit on ordinary activities**

The total income tax charge for the year of £Nil (2013: £23,000) is the lower than (2013: higher than) the blended effective rate of corporation tax in the UK of 22.5% (2013: 23.75%). The differences are explained below:

	Note	2014 £'000	2013 £'000
Profit before income tax		–	97
Profit before income tax multiplied by the blended effective standard rate in the UK of 22.5% (2013: 23.75%)		–	(23)
<b>Income tax charge</b>		<b>–</b>	<b>(23)</b>

The standard rate of corporation tax in the UK changed from 24% to 23% with effect from 1 April 2013. Accordingly, the Company's profits for the previous financial year were taxed at an effective rate of 23.75%. The standard rate of corporation tax in the UK changed from 23% to 21% with effect from 1 April 2014. Accordingly, the company's profits for this financial year are taxed at an effective rate of 22.5%.

In addition to the changes in rates of corporation tax disclosed above, further changes to the UK Corporation tax system were announced in the March 2013 UK Budget Statement and substantively enacted as part of the Finance Bill 2013 on 2 July 2013. These included reductions to the main rate of corporation tax by a further 1% to 20% by 1 April 2015. This further reduction had been substantively enacted at the balance sheet date and, therefore, the relevant deferred tax balances have been remeasured.

## Galliford Brick Factors Limited

### Notes to the financial statements for the year ended 30 June 2014 (continued)

#### 5. Cash and cash equivalents

	2014	2013
	£'000	£'000
Net cash	62	85

The effective interest rate received on cash balances is 0.7% (2013: 0.8%)

#### 6. Current income tax liabilities

	2014	2013
	£'000	£'000
Current income tax liabilities	–	(23)

#### 7. Ordinary shares

	Number of shares	Ordinary shares £'000
Allotted and fully paid ordinary shares of £1		
At 01 July 2013	40,000	40
Shares issued	–	–
At 30 June 2014	40,000	40

#### 8. Guarantees and contingent liabilities

The parent company Galliford Try plc and group subsidiary companies have entered into financial guarantees and counter indemnities in respect of bank and performance bonds issued on behalf of the group undertakings, including joint arrangements and joint ventures, in the normal course of the business amounting to £201.0 million (2013: £155.2 million).

Disputes arise in the normal course of business, some of which lead to litigation or arbitration procedures. The directors make proper provision in the financial statements when they believe a liability exists. Whilst the outcome of disputes and arbitration is never certain, the directors believe that the resolution of all existing actions will not have a material adverse effect on the Company's financial position.

#### 9. Post balance sheet events

No matters have arisen since the year end that requires disclosure in the financial statements.

#### 10. Ultimate parent undertaking and controlling party

The immediate parent undertaking is Galliford Try Properties which is registered in England and Wales. The ultimate parent undertaking and controlling party is Galliford Try plc, which is registered in England and Wales. This is the only company into which the Company's results are consolidated. Copies of the consolidated group financial statements of Galliford Try plc are publicly available from Galliford Try plc, Cowley Business Park, High Street, Cowley, Uxbridge, Middlesex, UB8 2AL.