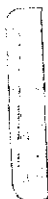

Galliford (UK) Limited

Report and Financial Statements

◆ *Year ended 30 June 2004* ◆



A37
COMPANIES HOUSE

AEC9ZZHO

0280
19/10/04

GALLIFORD (UK) LIMITED

CONTENTS

	Page
Company information	1
Report of the directors	2 – 3
Report of the independent auditors	4
Profit and loss account	5
Balance sheet	6
Notes to the financial statements	7-9

GALLIFORD (UK) LIMITED

COMPANY INFORMATION

Directors	F E Nelson R Barraclough J A Taylor
Secretary	R Barraclough
Registered office	Cowley Business Park Cowley Uxbridge UB8 2AL
Registered number	892823
Auditors	PricewaterhouseCoopers LLP Harman House 1 George Street Uxbridge UB8 1QQ

GALLIFORD (UK) LIMITED

REPORT OF THE DIRECTORS

The directors present their report and the audited financial statements for the year ended 30 June 2004.

Principal activities, review of business and future developments

The company did not trade during the year and has no plans to trade in the foreseeable future.

Results and Dividends

The directors do not recommend the payment of a dividend for the year (2003: £14,706 per share amounting to £1,470,361) leaving a retained loss of £Nil (2003: £1,372,361) to be deducted from reserves.

Directors

The members of the board during the year were:

F E Nelson
R Barraclough
J A Taylor (appointed 3 November 2003)

F E Nelson is a director of Galliford Try plc and his interests in its share capital are disclosed in the financial statements of Galliford Try plc. The interests of the other directors in the share capital of Galliford Try plc at the start and at the end of the year, including options, were as follows:-

	1 July 2003		Ordinary shares	30 June 2004	
	Shares	Options	Options exercised	Shares	Options
R Barraclough	269,940	505,393	150,000	350,549	355,393

The other directors holdings of awards under the Galliford Try plc restricted share scheme at the start and at the end of the year, were as follows:-

	1 July 2003	30 June 2004
R Barraclough	838,841	636,400

Apart from the foregoing interests, none of the directors had any beneficial interest in the shares of any companies within the Galliford Try Group at any time during the year.

GALLIFORD (UK) LIMITED

REPORT OF THE DIRECTORS (continued)

Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which 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 have:

- selected suitable accounting policies and applied them consistently;
- made judgements and estimates that are reasonable and prudent;
- followed applicable accounting standards; and
- prepared the financial statements on the going concern basis.

The directors are responsible for keeping proper accounting records which 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.

Auditors

A resolution to re-appoint PricewaterhouseCoopers LLP as auditors of the company will be proposed at the forthcoming Annual General Meeting.

The report of the directors was approved by the director on 9 September 2004 and signed on ^{JK}his behalf by:

R. BARRACLOUGH
Secretary



GALLIFORD (UK) LIMITED

Independent auditors' report to the members of Galliford (UK) Limited

We have audited the financial statements which comprise the profit and loss account, the balance sheet and the related notes.

Respective responsibilities of directors and auditors

The directors' responsibility for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 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.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

Basis of audit opinion

We conducted our audit in accordance with auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 30 June 2004 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1935.

FricewaterhouseCoopers LLP

FricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
West London
5 September 2004

GALLIFORD (UK) LIMITED

PROFIT AND LOSS ACCOUNT
for the year ended 30 June 2004

	Note	2004 £	2003 £
Net operating expenses	3	-	98,270
		<hr/>	<hr/>
Profit on ordinary activities before taxation		-	98,270
Tax on profit on ordinary activities	4	-	-
Dividends	5	-	(1,470,631)
		<hr/>	<hr/>
Retained loss for the financial year		-	(1,372,361)
		<hr/>	<hr/>

All items presented in the profit and loss account above relate to discontinued activities.

There were no recognised gains or losses other than those shown in the profit and loss account above, therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the result shown in the profit and loss account above and the results on an unmodified historical cost basis.

GALLIFORD (UK) LIMITED

BALANCE SHEET
as at 30 June 2004

	Note	2004 £	2003 £
Current assets			
Debtors	6	100	12,100
Creditors: Amounts falling due within one year	7	-	(12,000)
		<hr/>	<hr/>
Net assets		100	100
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	8	100	100
Profit and loss account		-	-
		<hr/>	<hr/>
Equity shareholders' funds		100	100
		<hr/>	<hr/>

The financial statements on pages 5 to 9 were approved by the board on 9 September 2004 and signed on their behalf by:


J A TAYLOR
Director

GALLIFORD (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

30 June 2004

1. ACCOUNTING POLICIES

Basis of accounting

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

Cash Flow Statement

The financial statements do not include a cash flow statement because the company, as a wholly-owned subsidiary whose parent produces publicly available consolidated accounts, is exempt from the requirement to prepare such a statement under Financial Reporting Standard No 1 (Revised 1996) 'Cash Flow Statement'.

Consolidation

The company has not prepared consolidated financial statements as it is exempt from doing so. The exemption comes from being a wholly-owned subsidiary of an immediate parent company that is established in the EEC and that the company is included in consolidated accounts for a larger group by a parent undertaking who is also established in the EEC.

2. EMPLOYEES AND DIRECTORS EMOLUMENTS

The emoluments of F E Nelson, who is also a director of Galliford Try plc, are disclosed in that company's financial statements for his services to the group as a whole.

The emoluments of R Barraclough and J A Taylor who are also directors of Galliford Try Services Limited are disclosed in that company's financial statements for their services to the group as a whole.

The company had no employees during the period (2003: nil).

Two (2003: Two) of the directors exercised share options in Galliford Try plc during the year.

The auditors' remuneration is borne by Galliford Try Services a fellow subsidiary of Galliford Try plc.

3. NET OPERATING EXPENSES

	2004	2003
	£	£
Liability written off as subsidiary being struck off	-	245,411
Investment written off as subsidiary being struck off	-	(147,141)
	<hr/>	<hr/>
	-	98,270

GALLIFORD (UK) LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)****30 June 2004****4. TAX ON PROFIT ON ORDINARY ACTIVITIES**

	2004	2003
	£	£
Current tax:		
UK corporation tax on profits of the period	-	-
Adjustment in respect of previous periods	-	-
Total current tax	-	-
Deferred tax:		
Origination and reversal of timing differences – current year	-	-
Tax charge on profit on ordinary activities	-	-
The tax for the period is lower than the standard rate of corporation tax in the UK of 30%. The differences are explained below:		
Profit on ordinary activities before tax	-	98,270
Profit on ordinary activities multiplied by standard rate of tax in the UK	-	29,481
Effects of:		
Expenses not deductible for tax purposes	-	(29,481)
Current tax charge	-	-

5 DIVIDENDS

	2004	2003
	£	£
Interim dividend of £Nil per share (2003: £14,586.31 per share)	-	1,458,631
Final dividend of £Nil per share (2003: £120 per share)	-	12,000
	-	<u>1,470,631</u>

GALLIFORD (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

30 June 2004

6. DEBTORS

	2004	2003
	£	£
Amounts recoverable within one year:		
Amounts owed by group undertaking:	100	100
Dividends receivable	-	12,000
	<u>100</u>	<u>12,100</u>

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2004	2003
	£	£
Proposed dividend	-	12,000
	<u>-</u>	<u>12,000</u>

8. SHARE CAPITAL

	2004	2003
	£	£
Authorised		
100 ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>
Allotted, called up and fully paid		
100 ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>

9. RELATED PARTY TRANSACTIONS

Transactions with other group companies have not been separately disclosed, as under FRS 8 this is not required as the company is a wholly-owned subsidiary of Galliford Try plc whose consolidated accounts are publicly available.

10. ULTIMATE PARENT COMPANY

The immediate and ultimate parent company and controlling party is Galliford Try plc which is registered in England and Wales. Copies of the consolidated financial statements of Galliford Try plc can be obtained from The Company Secretary, Galliford Try plc, Cowley Business Park, Cowley, Uxbridge, Middlesex UB8 2AL.