
Galliford Building Group Limited

Report and Financial Statements

◆ *Year ended 30 June 1999* ◆



Company No: 892823

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GALLIFORD BUILDING GROUP LIMITED

COMPANY INFORMATION

Directors	P K Bullock J Livingston G R Marsh
Secretary	P K Bullock
Registered office	Wolvey Hinckley Leicestershire LE10 3JH
Registered number	892823
Auditors	Robson Rhodes Chartered Accountants Centre City Tower 7 Hill Street Birmingham B5 4UU

GALLIFORD BUILDING GROUP LIMITED

REPORT OF THE DIRECTORS

The directors present their report and the audited financial statements for the year ended 30 June 1999.

Principal activities

The principal activity is that of intermediate holding company for certain subsidiaries within the Galliford Group.

Business review and future developments

The results for the year are presented in the profit and loss account on page 5. The future profits of the company are dependent upon the performance of its subsidiary undertakings.

Dividends

The directors recommend a final dividend of £1,145,000 (1998 : £1,940,000) to be paid in respect of the year ended 30 June 1999.

Directors

The present directors of the company are set out on page 1. All of the directors served throughout the year.

Those directors serving at the end of the year had interests in the share capital of Galliford plc, the company's ultimate parent company, at 30 June 1999 as follows:

	Share Option	
	At 1 July 1998	At 30 June 1999
		Lapsed
P K Bullock	78,688	(7,741) 70,947

G R Marsh and J Livingston are directors of Galliford plc and their interests in its share capital are disclosed in the financial statements of Galliford plc.

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.

GALLIFORD BUILDING GROUP LIMITED

REPORT OF THE DIRECTORS

(Continued)

Directors' responsibilities (continued)

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

On 14 May 1999, the directors appointed Robson Rhodes as auditors to replace PricewaterhouseCoopers. Robson Rhodes are willing to continue in office and a resolution to reappoint them will be proposed at the Annual General Meeting.

The report of the directors was approved by the Board on 6 September 1999 and signed on its behalf by:



P K BULLOCK
Director

GALLIFORD BUILDING GROUP LIMITED

AUDITORS' REPORT TO THE SHAREHOLDERS OF GALLIFORD BUILDING GROUP LIMITED

We have audited the financial statements on pages 5 to 10 which have been prepared on the basis of the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

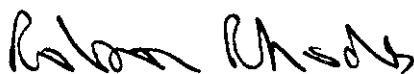
Basis of opinion

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 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 affairs of the company as at 30 June 1999 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Robson Rhodes
Chartered Accountants and Registered Auditor

Birmingham
6 September 1999

GALLIFORD BUILDING GROUP LIMITED

PROFIT AND LOSS ACCOUNT
for the year ended 30 June 1999

	Note	1999 £	1998 £
Income from shares in subsidiary undertakings		1,145,000	1,940,000
		<hr/>	<hr/>
Profit on ordinary activities before taxation	3	1,145,000	1,940,000
Taxation		-	-
		<hr/>	<hr/>
Profit on ordinary activities after taxation		1,145,000	1,940,000
Dividends - proposed		1,145,000	1,940,000
		<hr/>	<hr/>
Profit for the financial year		-	-
		<hr/>	<hr/>

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

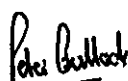
There were no recognised gains or losses other than those shown in the profit and loss account above.

GALLIFORD BUILDING GROUP LIMITED

BALANCE SHEET
at 30 June 1999

	Note	1999 £	1998 £
Fixed assets			
Investments	4	2,016,149	2,016,149
		<hr/>	<hr/>
Current assets			
Debtors	5	8,748,849	9,543,849
Cash at bank		6,591	6,591
		<hr/>	<hr/>
		8,755,440	9,550,440
Creditors: Amounts falling due within one year	6	10,377,336	11,172,336
		<hr/>	<hr/>
Net current liabilities		(1,621,896)	(1,621,896)
		<hr/>	<hr/>
Net assets		394,253	394,253
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	7	100	100
Profit and loss account	8	394,153	394,153
		<hr/>	<hr/>
Equity shareholders' funds		394,253	394,253
		<hr/>	<hr/>

The financial statements were approved by the Board on 6 September 1999 and signed on its behalf by:



P K BULLOCK
Director

NOTES TO THE FINANCIAL STATEMENTS

30 June 1999

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements are prepared under the historical cost convention and in accordance with applicable Accounting Standards in the United Kingdom.

Cash flow

The financial statements do not include a cash flow statement because the company, as a wholly owned subsidiary, is exempt from the requirement to prepare such a statement under Financial Reporting Standard No1 (Revised) "Cash Flow Statements".

Investments

Investments are stated at cost less provision for impairment.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred or accelerated because of timing differences between the treatment of certain items for accounting and taxation purposes.

Provision for deferred taxation is made under the liability method only to the extent that it is probable that the liability will become payable in the foreseeable future.

2. EMPLOYEES

The average number of employees, including executive directors, during the year was as follows:

	1999 No.	1998 No.
Management - directors	3	3
	=====	=====

The directors received no remuneration during the year (1998 : £Nil).

GALLIFORD BUILDING GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

30 June 1999

3. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	1999 £	1998 £
Profit on ordinary activities before taxation is stated after charging:		
Auditors' remuneration	-	-
Directors' remuneration	-	-
	<u> </u>	<u> </u>

The auditors' remuneration is borne by the ultimate holding company.

4. FIXED ASSETS - INVESTMENTS

	Shares in group undertakings £
Cost	
At 1 July 1998 and 30 June 1999	2,016,149
	<u> </u>
Amounts written off	
At 1 July 1998 and 30 June 1999	-
	<u> </u>
Net book value	
At 30 June 1998 and 30 June 1999	2,016,149
	<u> </u>

The company holds 100% of the issued ordinary shares capital of the following subsidiary undertakings, all of which are registered in Great Britain:

Wincott Galliford Limited	Galliford (UK) Limited
Galliford and Sons Limited	Rock and Alluvium Limited
Galliford Brindley Properties Limited	Stamford Homes Limited
Galliford Pipeline Services Limited	

Consolidated financial statements are not prepared as the company is a wholly owned subsidiary of another United Kingdom company. In the opinion of the directors of the company, the aggregate value of the assets of the company comprising shares in, or amounts owing from, the company's subsidiary undertakings is not less than the aggregate of the amounts at which these assets are stated or included in the company's balance sheet.

GALLIFORD BUILDING GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS**30 June 1999****5. DEBTORS**

	1999	1998
	£	£
Amounts recoverable within one year:		
Amounts owed by group undertaking	7,603,849	7,603,849
Dividends receivable	1,145,000	1,940,000
	<hr/>	<hr/>
	8,748,849	9,543,849
	<hr/> <hr/>	<hr/> <hr/>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	1999	1998
	£	£
Amounts owed to group undertakings	9,232,304	9,232,304
Proposed dividend	1,145,000	1,940,000
Accruals	32	32
	<hr/>	<hr/>
	10,377,336	11,172,336
	<hr/> <hr/>	<hr/> <hr/>

7. SHARE CAPITAL

	1999	1998
	£	£
Authorised		
100 ordinary shares of £1 each	100	100
	<hr/> <hr/>	<hr/> <hr/>
Allotted, called up and fully paid		
100 ordinary shares of £1 each	100	100
	<hr/> <hr/>	<hr/> <hr/>

GALLIFORD BUILDING GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

30 June 1999

8. PROFIT AND LOSS ACCOUNT

	£
At 1 July 1998 and 30 June 1999	394,153
	<u><u> </u></u>

9. CONTINGENT LIABILITIES

The company, together with certain other Galliford group companies, has entered into an arrangement with Barclays Bank PLC whereby the companies bound by this arrangement jointly and severally guarantee any overdraft granted to those companies. It is not expected that any liability will be incurred in respect of these guarantees.

10. ULTIMATE PARENT COMPANY

The ultimate parent company is Galliford plc which is incorporated in Great Britain. Copies of the consolidated financial statements of Galliford plc can be obtained from The Company Secretary, Galliford PLC, Wolvey, Hinckley, Leicestershire LE10 3JH.

11. RELATED PARTY TRANSACTIONS

Transactions with other group companies have not been separately disclosed as, under FRS8 this is not required as the company is a wholly-owned subsidiary of Galliford plc.