

GT (Leeds) LIFT Limited

Annual Report and Financial Statements

For the year ended 30 June 2019
Registered Number 05152645

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Annual Report and Financial Statements

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Directors and advisers

Directors

M Baxter
P Harris

Company secretary

Galliford Try Secretariat Services Limited

Registered office

Cowley Business Park
Cowley
Uxbridge
Middlesex
UB8 2AL

Independent auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
The Atrium
1 Harefield Road
Uxbridge
Middlesex
UB8 1EX

Directors' Report

The Directors present their report and audited financial statements for the year ended 30 June 2019.

Review of the Business

The company was originally set up as an investment holding company. The company currently holds an investment in Community Ventures Partnership Limited. During the year the company sold its investment in Community Ventures Hartlepool Midco Limited.

Future Developments

The directors do not expect any significant changes to the principal activities of the company in the foreseeable future.

Results and Dividend

The profit for the financial year is £2,123,279 (2018: profit of £180,000). The directors recommend the payment of a dividend in respect of the current year of £1,673,638 (2018: £Nil) which was paid on 28 June 2019.

Directors

The directors of the company who were in office during the year and up to the date of signing the financial statements were as follows:

M Baxter
P J Harris

Qualifying Third-Party 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.

Financial Risk Management Policy

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. Additional information on the group's financial risk management can be found in the 2019 consolidated group financial statements of Galliford Try plc copies of which are publicly available.

Directors' Report (continued)

Going Concern

The financial statements have been prepared on a going concern basis, which assumes that for the foreseeable future the Company will be able to meet its liabilities as they fall due. The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of the ultimate parent company, Galliford Try Limited. The directors have received confirmation that Galliford Try Limited intends to support the Company for at least one year after these financial statements are signed.

There has been an outbreak of corona virus (COVID-19) in the UK, primarily in the period since March 2020.

In light of the pandemic, a revised cashflow forecast has been completed for the whole group to confirm the appropriateness of the going concern assumption in these subsidiary accounts. The forecast was prepared using three scenarios – a likely base case, a downside sensitivity scenario and a severe downside sensitivity scenario. In each of these scenarios, the forecasts indicated that there was sufficient headroom for the business to continue. Additionally, the Galliford Try group has repaid and cancelled all of its debt facilities during the year and is now in a net cash position with no external debt. Consequently, the Directors have concluded that using the going concern basis for the preparation of the financial statements is appropriate.

Strategic Report

The company is exempt from preparing a Strategic Report as it is a small company in accordance with section 414B of the Companies Act 2006.

Statement of Directors' Responsibilities in Respect of the Financial Statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and

Directors' Report (continued)

Statement of Directors' Responsibilities in Respect of the Financial Statements (continued)

- 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.

The directors 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.

Statement of Disclosure of Information to Auditors

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Post balance sheet events

On 3 January 2020, Galliford Try plc sold its housebuilding businesses, Linden Homes and Partnerships & Regeneration to Vistry Group plc (formerly Bovis Homes Group plc).

Additionally, there has been an outbreak of corona virus (COVID-19) since the beginning of 2020 and this has severely impacted many local economies around the world. In many countries, businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Governments and central banks have responded with monetary and fiscal interventions to stabilise economic conditions.

The health and safety of our staff, subcontractors, suppliers, clients and the public is paramount, and in compliance with Government guidance we implemented a number of additional measures to protect and mitigate risk. In accordance with Government advice on construction works and the Standard Operating Procedures issued by the Construction Leadership Council, we risk assessed every one of our construction sites and modified or curtailed site activities to ensure that no work was undertaken if we were unable to fully comply with the hygiene and social distancing guidelines or if our people could not travel safely to work.

With most of the Group's clients and projects being in the public sector and by following the procedures noted above, it has resulted in the majority of sites remaining open, although these sites continued to operate under the strictest of parameters, as set out by the Construction Leadership Council, in conjunction with our own rigorous risk assessments. In addition, where specific client instructions were received, we carefully managed the temporary closure of sites to leave them in a safe state whilst they are closed. The group's supply chain has been similarly impacted and there have been some delays with certain supply chain partners.

Directors' Report (continued)

Post balance sheet events (continued)

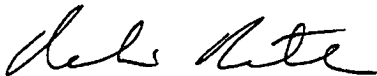
Accordingly, the company and the group overall has looked to take mitigating actions to manage costs in the business and to conserve cash and we will continue to review our resources to match business requirements. We have taken advantage of a number of the Government initiatives including furloughing staff under the Government Coronavirus Job Retention Scheme and deferring certain tax payments (primarily relating to employees PAYE and National Insurance contributions) where facilitated by HMRC.

It should be noted that the duration and impact of the COVID-19 pandemic, as well as the effectiveness of Government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Company for future periods. We maintain a continual review of the potential effects of the virus in the UK on our business.

The Company has determined that these events are non-adjusting subsequent events. Accordingly, the financial position and results of operations as of and for the year ended 30 June 2019 have not been adjusted to reflect their impact.

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

On behalf of the Board



M Baxter
Director

26 June 2020

Cowley Business Park, Cowley
Uxbridge
Middlesex
UB8 2AL

Independent auditors' report to the members of GT (Leeds) LIFT Limited

Report on the audit of the financial statements

Opinion

In our opinion, GT (Leeds) LIFT Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual report and Financial statements (the "Annual Report"), which comprise: the balance sheet as at 30 June 2019; the income statement, the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Independent auditors' report to the members of GT (Leeds) LIFT Limited (continued)

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 30 June 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities in Respect of the Financial Statements set out on pages 3 and 4, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, 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.

Other required reporting

Companies Act 2006 exception reporting

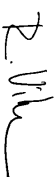
Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit, or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us, or
- certain disclosures of directors' remuneration specified by law are not made, or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



P. Viki (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Uxbridge
26 June 2020

Income statement for the year ended 30 June 2019

	Note	2019 £	2018 £
Revenue	4	1,937,707	-
Income from fixed asset investments		568,172	180,000
Cost of sales		(17,822)	-
		<hr/>	<hr/>
Profit on ordinary activities before taxation		2,488,057	180,000
Income tax expense	5	(364,778)	-
		<hr/>	<hr/>
Profit for the financial year		2,123,279	180,000
		<hr/>	<hr/>

The notes on pages 11 to 17 form part of the financial statements.

The profit for the financial year has been derived from continuing activities.

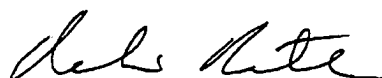
There are no other comprehensive income other than those disclosed above so a separate statement of comprehensive income is not presented.

Balance sheet as at 30 June 2019

	Note	As at 30 June 2019 £	As at 30 June 2018 £
Assets			
Non-current assets			
PPP and other investments	6	60	60
Current assets			
Trade and other receivables	7	1,565,434	751,015
Total assets		<u>1,565,494</u>	<u>751,075</u>
Liabilities			
Current liabilities			
Corporation tax payable	8	(364,778)	-
Net current assets		1,200,656	751,015
Net assets		<u>1,200,716</u>	<u>751,075</u>
Capital and reserves			
Called up share capital	9	1	1
Profit and loss account		1,200,715	751,074
Total shareholder's funds		<u>1,200,716</u>	<u>751,075</u>

The notes on pages 11 to 17 form part of these financial statements.

The financial statements on pages 8 to 17 were approved by the Board of Directors on 26 June 2020 and were signed on its behalf by:



M Baxter
Director

Statement of changes in equity for the year ended 30 June 2019

	Called up share capital	Profit and loss account	Total shareholder's funds
	£	£	£
As at 1 July 2017	1	571,074	571,075
Profit for the financial year	-	180,000	180,000
As at 30 June 2018 and 1 July 2018	1	751,074	751,075
Profit for the financial year	-	2,123,279	2,123,279
Dividends paid	-	(1,673,638)	(1,673,638)
At 30 June 2019	1	1,200,715	1,200,716

Notes to the financial statements

1. Accounting policies

General information

GT (Leeds) LIFT Limited (the Company) is a limited company incorporated and domiciled in England and Wales (Registered number: 05152645). The address of the registered office is Cowley Business Park, Cowley, Uxbridge, Middlesex, UB8 2AL.

The principal activity of the company is to act as an intermediary holding company.

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 are denominated in pounds.

The following accounting policies have been applied consistently in dealing with items which are considered material to the company's financial statements.

These financial statements are prepared on the going concern basis and under the historical cost convention. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

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) as applicable to companies using FRS 101. 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 exempt by virtue of Section 400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the company as an individual undertaking and not about its group.

The Company is a qualifying entity for the purposes of FRS 101. Note 9 gives details of the Company's ultimate parent and from where its consolidated financial statements prepared in accordance with IFRS, as adopted by the EU, may be obtained.

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

- The requirements of IAS 7 to present a 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 paragraphs 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 and key management personnel
- The requirements of paragraph 134(d) to 134(f) of IAS 36, Impairment of Assets
- Certain disclosure requirements under IFRS 12, Disclosure of Interests in Other Entities
- The requirements of paragraph 38 of IAS 1, Presentation of Financial Statements

Notes to the financial statements (continued)

1. Accounting policies (continued)

Basis of accounting (continued)

New amendments to standards that became mandatory for the first time for the financial year beginning 1 July 2018 are listed below. The new amendments had no significant impact on the Company's results other than described below and certain revised disclosures.

- IFRS 9 Financial Instruments
- IFRS 15 Revenue from contracts with customers
- Amendments to IFRS 2 Share-based payments
- Amendments to IFRS 4 Insurance contracts
- Amendments to IAS 40 Investment property
- Annual improvements 2015-2017

• IFRS 9 - 'Financial instruments'

IFRS 9 is effective for periods beginning on or after 1 January 2018. The standard addresses the classification, measurement, impairment and derecognition of financial assets and liabilities, introducing new rules for hedge accounting and a new impairment model for financial assets.

The Company has reviewed its financial assets and liabilities and is not expecting a material change in its financial statements resulting from the adoption of this new standard.

• IFRS 15 - 'Revenue from contracts with customers'

IFRS15 is effective for periods beginning on or after 1 January 2018. The standard replaces IAS 18 'Revenue' and IAS 11 'Construction contracts' and sets out new revenue recognition criteria, using a five-step model to apportion revenue to individual performance obligations, within a contract. The new standard is based on the principal that revenue is recognised when control of a good or service transfers to a customer.

The Company has assessed the effects of applying the new standard on its financial statements and it is not expecting a material change in its financial statements resulting from the adoption of this new standard.

New standards, amendments and interpretations issued but not effective or yet to be endorsed by the EU are as follows:

- IFRS 16 Leases
- IFRS 17 Insurance Contracts
- IFRIC 23 Uncertainty over Income Tax Treatments
- Amendments to the following standards:
 - IAS 28 Long-term interests in associates and joint ventures
 - IAS 1 & IAS 8 Definition of Material
 - IAS 19 Plan Amendment, Curtailment or Settlement
 - IFRS 3 Business Combinations
 - IFRS 9 Prepayment features with negative compensation
- Annual improvements 2015-2017

Notes to the financial statements (continued)

1. Accounting policies (continued)

Going concern

The financial statements have been prepared on a going concern basis, which assumes that for the foreseeable future the Company will be able to meet its liabilities as they fall due. The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of the ultimate parent company, Galliford Try Limited. The directors have received confirmation that Galliford Try Limited intends to support the Company for at least one year after these financial statements are signed.

As detailed in the Directors' Report, there has been an outbreak of corona virus (COVID-19) in the UK, primarily in the period since March 2020.

In light of the pandemic, a revised cashflow forecast has been completed for the whole group to confirm the appropriateness of the going concern assumption in these subsidiary accounts. The forecast was prepared using three scenarios – a likely base case, a downside sensitivity scenario and a severe downside sensitivity scenario. In each of these scenarios, the forecasts indicated that there was sufficient headroom for the business to continue. Additionally, the Galliford Try group has repaid and cancelled all of its debt facilities during the year and is now in a net cash position with no external debt. Consequently, the Directors have concluded that using the going concern basis for the preparation of the financial statements is appropriate.

2. Profit before taxation

The company's audit fees are borne by Galliford Try Investments Limited. None of the directors received any remuneration from the company during the year (2018: £Nil).

3. Staff numbers and costs

The company had no employees during the current or preceding year.

4. Income from other fixed asset investments

	2019 £	2018 £
Dividends received	568,172	180,000

During the year, the company received dividends from its subsidiary Community Ventures Partnerships Limited totalling £568,172.

5. Income tax expense

Analysis of tax charge in year:		
	2019 £	2018 £
UK Corporation Tax		
Current tax on income for the year	364,778	-

Notes to the financial statements (continued)

5. Income tax expense (continued)

Factors affecting the tax charge for the current year

The current tax charge in the current and prior year is lower than the standard rate of corporation tax in the UK 19% (2018: 19%). The differences are explained below:

	2019 £	2018 £
<i>Total tax reconciliation</i>		
Profit before taxation	2,488,057	180,000
Current tax at 19% (2018: 19%)	472,731	34,200
Effects of: Non taxable income	(107,953)	(34,200)
Current tax charge	364,778	-

6. PPP and other investments

	Shares £	Total £
Cost and net book value		
At 1 July 2017 and 30 June 2018	60	60
Shares acquired in Community Ventures Hartlepool Midco Limited*	60	60
Disposal of shares	(60)	(60)
At 30 June 2019	60	60

During the year, the company sold its investment in Community Ventures Hartlepool Midco Limited for proceeds of £1,993,722 generating a profit on sale of £1,919,885.

* Share capital of £60 was invested in Community Ventures Hartlepool Midco Limited in March 2015. An adjustment has been shown in the current year financial statements to reflect this.

The principal companies in which the company held an interest at the year end are as follows:

	Shares held Class	%	Nature of Business	Country of incorporation
Community Ventures Partnerships Limited	Ordinary	60%	Health	England

Community Ventures Partnerships Limited is registered at Unit 8, 4340 Park Approach, Thorpe Park, Leeds, LS15 8GB.

Notes to the financial statements (continued)

6. PPP and other investments (continued)

The company also has the following related undertakings. All are registered in England and Wales.

Name of Undertaking	Share Holding	Direct / Indirect
Community Ventures (Management) Limited	60%	Indirect
Community Ventures Investments Limited	60%	Indirect
Tees & Durham (LIFT) Investments Limited	30%	Indirect
Durham & Tees Community Ventures Limited	18%	Indirect
Durham & Tees Community Ventures Primary Care Limited	18%	Indirect
Durham & Tees Community Ventures HoldCo (No.1) Limited	18%	Indirect
Durham & Tees Community Ventures FundCo (No.1) Limited	18%	Indirect
Durham & Tees Community Ventures HoldCo (No.2) Limited	18%	Indirect
Durham & Tees Community Ventures FundCo (No.2) Limited	18%	Indirect
Durham & Tees Community Ventures HoldCo (No.3) Limited	18%	Indirect
Durham & Tees Community Ventures FundCo (No.3) Limited	18%	Indirect
Durham & Tees Community Ventures HoldCo (No.4) Limited	18%	Indirect
Durham & Tees Community Ventures HoldCo (No.5) Limited	18%	Indirect
Durham & Tees Community Ventures FundCo (No.4) Limited	18%	Indirect

The above entities are registered at Unit 8, 4340 Park Approach, Thorpe Park, Leeds, LS15 8GB.

7. Trade and other receivables

	2019 £	2018 £
Amounts owed by group undertakings	<u>1,565,434</u>	<u>751,015</u>

Amounts owed to group undertakings are unsecured, bear no interest and are repayable on demand.

Notes to the financial statements (continued)

8. Trade and other payables

	2019 £	2018 £
Corporation tax payable	364,778	-

9. Called up share capital

	2019 £	2018 £
<i>Allotted, called up and fully paid</i>		
1 (2018: 1) Ordinary share of £1 each	1	1

The directors recommend the payment of a dividend of £1,673,638 (2018: £Nil).

10. Ultimate parent company

The immediate parent undertaking is Galliford Try Investments Limited which is registered in England and Wales. The ultimate parent undertaking and controlling party is Galliford Try Limited (formerly Galliford Try Plc), which is registered in England and Wales. The company's results are consolidated into the financial statements of Galliford Try Plc (formerly Galliford Try plc). This is the largest and smallest entity of the group in which the company's results are consolidated. Copies of the consolidated financial statements of both entities are publicly available from Galliford Try Plc, Cowley Business Park, High Street, Cowley, Uxbridge, Middlesex, UB8 2AL.

12. Post balance sheet events

On 3 January 2020, Galliford Try plc sold its housebuilding businesses, Linden Homes and Partnerships & Regeneration to Vistry Group plc (formerly Bovis Homes Group plc).

Additionally, there has been an outbreak of corona virus (COVID-19) since the beginning of 2020 and this has severely impacted many local economies around the world. In many countries, businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Governments and central banks have responded with monetary and fiscal interventions to stabilise economic conditions.

The health and safety of our staff, subcontractors, suppliers, clients and the public is paramount, and in compliance with Government guidance we implemented a number of additional measures to protect and mitigate risk. In accordance with Government advice on construction works and the Standard Operating Procedures issued by the Construction Leadership Council, we risk assessed every one of our construction sites and modified or curtailed site activities to ensure that no work was undertaken if we were unable to fully comply with the hygiene and social distancing guidelines or if our people could not travel safely to work.

Notes to the financial statements (continued)

12. Post balance sheet events (continued)

With most of the Group's clients and projects being in the public sector and by following the procedures noted above, it has resulted in the majority of sites remaining open, although these

sites continued to operate under the strictest of parameters, as set out by the Construction Leadership Council, in conjunction with our own rigorous risk assessments. In addition, where specific client instructions were received, we carefully managed the temporary closure of sites to leave them in a safe state whilst they are closed. The group's supply chain has been similarly impacted and there have been some delays with certain supply chain partners.

Accordingly, the company and the group overall has looked to take mitigating actions to manage costs in the business and to conserve cash and we will continue to review our resources to match business requirements. We have taken advantage of a number of the Government initiatives including furloughing staff under the Government Coronavirus Job Retention Scheme and deferring certain tax payments (primarily relating to employees PAYE and National Insurance contributions) where facilitated by HMRC.

It should be noted that the duration and impact of the COVID-19 pandemic, as well as the effectiveness of Government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Company for future periods. We maintain a continual review of the potential effects of the virus in the UK on our business.

The Company has determined that these events are non-adjusting subsequent events. Accordingly, the financial position and results of operations as of and for the year ended 30 June 2019 have not been adjusted to reflect their impact.

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