

**GALIFORM EMPLOYEE OWNERSHIP TRUSTEE COMPANY LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE 52 WEEKS ENDED 27 DECEMBER 2008**

**REGISTERED NUMBER: 2242904**



**GALIFORM EMPLOYEE OWNERSHIP TRUSTEE COMPANY LIMITED**  
**DIRECTORS' REPORT**

The directors have pleasure in submitting their report and the financial statements of the Company for the 52 weeks ended 27 December 2008.

**PRINCIPAL ACTIVITY, RISKS AND UNCERTAINTIES**

The company is a wholly owned subsidiary of Galiform Plc, and operates as part of the Galiform Plc's Corporate division. The company has been dormant, as defined in Section 249AA of the Companies Act 1985, throughout the current and previous periods. There have not been any significant changes in the Company's principal activities in the period under review. The directors are not aware, at the date of this report, of any likely major changes in the Company's activities in the next period.

The balance sheet on page 3 of the financial statements shows that the Company's financial position at the end of the period is consistent with prior periods. Details of amounts owed by the parent company are shown in note 4.

The Company has no third party debt. It therefore has no interest rate exposure. The Group's risks are discussed in the Group's Annual Report, which does not form part of this Report.

The Galiform Plc group ("the Group") manages its operations on a divisional basis. For this reason, the Company's directors believe that further key performance indicators specific to the Company are not necessary or appropriate for an understanding of the development, performance or position of the business. The performance of the corporate division of Galiform Plc, which includes the Company, is discussed in the Group's Annual Report, which does not form part of this report.

The Company, as part of the Group, recognises the importance of its environmental responsibilities, monitors its impact on the environment, and designs and implements policies to reduce any damage that might be caused by the group's activities. The Company operates in accordance with Group policies, which are described in the Group's Annual Report, which does not form part of this Report.

**EMPLOYEES**

The Company has no employees.

**DIRECTORS**

The directors of the Company who served throughout the period, except as stated, were:

I P H Arnold  
G Hughes (resigned 27 December 2008)  
M Robson (appointed 27 December 2008)

No director held any beneficial interest in the shares of the Company at any time during the period. Beneficial interests of the directors, including family interests, in the share capital of the ultimate holding company, Galiform Plc at 27 December 2008 and 29 December 2007 are disclosed in the accounts of that Company except those set out below.

	<u>At 27 December 2008</u>			<u>At 29 December 2007</u>		
	<u>Ordinary shares of 10p each</u>			<u>Ordinary shares of 10p each</u>		
	<u>Shares in</u>	<u>Share options</u>	<u>Share</u>	<u>Shares in issue</u>	<u>Share</u>	<u>Share</u>
	<u>issue</u>		<u>awards*</u>		<u>options</u>	<u>awards*</u>
I Arnold	237,359	183,510	98,590	72,909	224,211	98,590

*\*Conditional share awards under Performance Share Plan*

The options outstanding are exercisable at prices between 106.5p and 131.5p.

I Arnold also held a beneficial interest in the All Employee Share Incentive Plans in common with all members of the scheme. At the year end, the scheme held 436,273 shares (2007: 574,406 shares).

**GALIFORM EMPLOYEE OWNERSHIP TRUSTEE COMPANY LIMITED**  
**DIRECTORS' REPORT**

**POLITICAL AND CHARITABLE CONTRIBUTIONS**

The Company did not make any charitable or political donations during the period (2007: nil).

**AUDITORS**

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

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

The confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 1985.

In accordance with Section 250 of the Companies Act 1985, a resolution proposing not to appoint auditors was passed at the last Annual General Meeting.

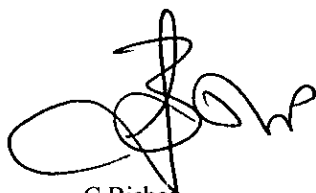
**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

United Kingdom company law requires the directors to prepare financial statements for each financial period, which give a true and fair view of the state of affairs of the Company as at the end of the period and of the profit or loss of the Company for that period. In preparing those financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for the system of internal control, safeguarding the assets of the company and hence for taking responsible steps for the prevention and detection of fraud and other irregularities.

By Order of the Board



C Bishop  
Secretary  
26 February 2009

**GALIFORM EMPLOYEE OWNERSHIP TRUSTEE COMPANY LIMITED**  
**BALANCE SHEET AT 27 DECEMBER 2008**

		<u>27 Dec 2008</u>	<u>29 Dec 2007</u>
		<u>£</u>	<u>£</u>
	<u>NOTE</u>		
<b>Current assets</b>			
Debtors	4	<u>2</u>	<u>2</u>
<b>Capital and reserves</b>			
Called up share capital	5	<u>2</u>	<u>2</u>

The company did not trade during the current and preceding period and has made neither a profit nor loss, nor any other recognised gain or loss.

- (a) For the year ended 27 December 2008, the company was entitled to exemption under section 249AA(1) of the Companies Act 1985.
- (b) Members have not required the company to obtain an audit of these financial statements in accordance with section 249B(2) of the Companies Act 1985.
- (c) The directors acknowledge their responsibility for:
  - (i) ensuring the company keeps accounting records which comply with section 221 of the Companies Act; and
  - (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year, and of its profit or loss for the financial year, in accordance with the requirements of section 226, and which otherwise comply with the requirements of that Act relating to accounts, so far as applicable to the company.

The financial statements on pages 3 to 4 were approved by the Board of Directors and signed on its behalf by:

*Ian P H Arnold*

I Arnold  
 Director  
 26 February 2009

**GALIFORM EMPLOYEE OWNERSHIP TRUSTEE COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

**1. ACCOUNTING POLICIES**

**ACCOUNTING CONVENTION**

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

Under Financial Reporting Standard 1, the Company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary undertaking and a consolidated cash flow statement is given in the financial statements of its ultimate parent company, Galiform Plc.

**BASIS OF PREPARATION**

The financial statements include the undertakings for the 52 week period ended 27 December 2008, being the Saturday nearest to the Company's accounting reference date of 30 December. The undertakings for the prior period relate to the 52 week period ended 29 December 2007.

**2. STAFF NUMBERS AND COSTS**

The Company had no employees during the period or the prior period and staff costs amounted to £nil (2007: £nil).

**3. REMUNERATION OF DIRECTORS**

No director received any emoluments during the period (2007: £nil).

**4. DEBTORS**

	<u>27 Dec 2008</u>	<u>29 Dec 2007</u>
	<u>£</u>	<u>£</u>
Amounts owed by parent and fellow subsidiary undertakings	<u>2</u>	<u>2</u>

**5. SHARE CAPITAL**

	<u>27 Dec 2008</u>	<u>29 Dec 2007</u>
	<u>£</u>	<u>£</u>
100 authorised ordinary shares of £1 each	<u>100</u>	<u>100</u>
2 allotted and fully paid ordinary shares of £1 each	<u>2</u>	<u>2</u>

**6. ULTIMATE HOLDING COMPANY**

The Company's ultimate parent company is Galiform Plc, incorporated in Great Britain and registered in England and Wales.

The largest and smallest Group in which the results of the Company are consolidated is that headed by Galiform Plc. The consolidated accounts of this Group are available to the public and can be obtained from the Registrar of Companies, Companies Registration Office, Crown Way, Maindy, Cardiff, CF14 3UZ.

The Company is exempt under FRS 8 from the requirement to disclose transactions within the Group headed by Galiform Plc on the grounds that it is a wholly owned subsidiary.