

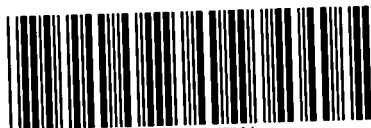
Kingseat Development 1 Limited

Annual report and Financial statements

For the year ended 30 June 2016

Registered number: SC332760

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Kingseat Development 1 Limited

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Kingseat Development 1 Limited
Directors and advisers

Directors

M Keith
MR LeLorrain

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

Bankers

Barclays Bank plc
15 Colmore Row
Birmingham
B3 2WN

HSBC Bank plc
70 Pall Mall
London
SW1Y 5EZ

Kingseat Development 1 Limited

Strategic report for the year ended 30 June 2016

The directors present their strategic report of Kingseat Development 1 Limited ("the Company"), for the year ended 30 June 2016.

Review of business

The Company's principal activity is commercial property development. Although the Company did not trade during the year, the directors consider the business well placed to benefit from its strategic involvement in general property development.

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. The Galliford Try plc annual report is publicly available, refer to note 10 for further details.

General

The Company's result for the financial year was £Nil (2015: £Nil).

By order of the board

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

Galliford Try Secretariat Services Limited

Company Secretary
28 February 2017

Kingseat Development 1 Limited

Directors' Report for the year ended 30 June 2016

The directors present their report of Kingseat Development 1 Limited ("the Company"), registered number SC332760 for the year ended 30 June 2016.

Future developments

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

Dividends

The directors do not recommend the payment of a dividend (2015: £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.

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

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 members 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.

Kingseat Development 1 Limited

Directors' Report for the year ended 30 June 2016 (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 immediate parent company, Galliford Try Building Limited. The directors have received confirmation that Galliford Try Building Limited intends to support the Company for at least one year after these financial statements are signed.

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, 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 directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement of disclosure of information to auditors

Each of the persons who is a designated director at the date of the approval of this report confirms that so far as they are aware, there is no relevant audit information of which the Company's auditors are unaware. Each director has taken all the steps that ought to have been taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

Kingseat Development 1 Limited

Directors' Report for the year ended 30 June 2016 (continued)

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office.

The directors' report was approved by the board of directors on 28 February 2017 and signed by its order by:

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

Company secretary

28 February 2017

Independent auditors' report to the members of Kingseat Development 1 Limited

Report on the financial statements

Our opinion

In our opinion, Kingseat Development 1 Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 30 June 2016 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

The financial statements, included within the Annual Report, comprise:

- Balance sheet as at 30 June 2016;
- Income statement for the year then ended;
- Statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Gareth Murfitt (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Uxbridge
28 February 2017

Kingseat Development 1 Limited
Income statement for the year ended 30 June 2016

	Note	2016 £'000	2015 £'000
Result on ordinary activities before taxation	3	—	—
Tax on result on ordinary activities		—	—
Result for the financial year		—	—

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.

Kingseat Development 1 Limited
Balance sheet as at 30 June 2016

	Note	2016 £'000	2015 £'000
Assets			
Current assets			
Developments	4	711	711
Trade receivables	5	457	457
Total current assets		1,168	1,168
Total assets		1,168	1,168
Liabilities			
Current liabilities			
Trade and other payables	6	(1,197)	(1,197)
Total current liabilities		(1,197)	(1,197)
Net current liabilities		(29)	(29)
Total liabilities		(1,197)	(1,197)
Net liabilities		(29)	(29)
Equity			
Share capital	7	–	–
Profit and loss account		(29)	(29)
Total equity		(29)	(29)

The notes on pages 11 to 15 are an integral part of these financial statements.

The financial statements on pages 8 to 15 were approved by the Board of directors on 28 February 2017 and signed on its behalf by:



M Keith
Director
Registered number: SC332760

Kingseat Development 1 Limited
Statement of changes in equity for the year ended 30 June 2016

	Share capital £'000	Profit and loss account £'000	Total equity £'000
As at 01 July 2014	—	(29)	(29)
Result for the financial year	—	—	—
As at 30 June 2015 and as at 01 July 2015	—	(29)	(29)
Result for the financial year	—	—	—
As at 30 June 2016	—	(29)	(29)

Kingseat Development 1 Limited

Notes to the financial statements for the year ended 30 June 2016

1. Accounting policies

General Information

Kingseat Development 1 Limited ('the Company') is a limited Company incorporated, and domiciled in England and Wales (Registered number: SC332760). The address of the registered office is Kingseat Development 1 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 30 June 2015 or 30 June 2016 and on the profit or loss for the year ended 30 June 2015 or 30 June 2016.

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 Disclosures, 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.
- Certain disclosure requirements under IFRS12 Disclosure of Interests in Other Entities.

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.

Kingseat Development 1 Limited

Notes to the financial statements for the year ended 30 June 2016 (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 parent company, Galliford Try Building Limited. The directors have received confirmation that Galliford Try Building Limited intend to support the Company for at least one year after these financial statements are signed.

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.

Material estimates and assumptions are made in particular with regards to establishing the following policies:

(i) Estimation of costs to complete and loss provisions

In order to determine the profit and loss that the Company is able to recognise on its developments and construction contracts in a specific period, the Company has to allocate total costs of the developments and construction contracts between the proportion completing in the period and the proportion to complete in a future period. However, Company management has established internal controls to review and ensure the appropriateness of estimates made.

Turnover and profit

Turnover is recognised when the significant risks and rewards of ownership have been transferred to the purchaser. Turnover comprises the fair value of the consideration received or receivable net of rebates, discounts and value added tax. Sales within the Company are eliminated. Turnover also includes the Company's proportion of work carried out under jointly controlled operations. The Company's turnover relates to one class of business and is all generated in the UK.

Amounts recoverable on contracts and payments on account are calculated as cost plus attributable profit less any foreseeable losses and cash received to date and are included in receivables or payables as appropriate.

Dividend policy

Final dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the year in which the dividends are approved by the Company's shareholders. Interim dividends are recognised when paid.

Kingseat Development 1 Limited

Notes to the financial statements for the year ended 30 June 2016 (continued)

1. Accounting policies (continued)

Inventories and developments

Work in progress is valued at the lower of cost, including direct costs and directly attributable overheads, and net realisable value.

Where a development is in progress, net realisable value is assessed by considering the expected future revenues and the total costs to complete the development including direct costs and directly attributable overheads. To the extent that the Company anticipates selling a development in its current state then net realisable value is taken as open market value at the balance sheet date less any anticipated selling costs.

Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (typically more than 30 days overdue) are considered indicators that the trade receivable may be impaired. The amount of the provision is the difference between the assets carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the income statement within cost of sales.

When a trade receivable is uncollectible, it is written off against the impairment provision for trade receivables. Subsequent recoveries of amounts previously written off are credited against cost of sales in the income statement. Short term trade receivables do not carry any interest and are stated at their amortised cost as reduced by appropriate allowances for estimated irrecoverable amounts.

Trade payables

Trade payables on normal terms are not interest bearing and are stated at their nominal value. Trade payables on extended terms, particularly in respect of land, are recorded at their fair value at the date of acquisition of the asset to which they relate. The discount to nominal value is amortised over the period of the credit term and charged to finance costs using the effective interest rate.

2. Employees and directors

The Company had no employees during the year (2015: none). Management services are provided by the directors. The directors did not receive any emoluments from the Company for their services during the year.

3. Result on ordinary activities before taxation

Services provided by the Company's auditors

During the year the Company obtained the following services from the Company's auditors at costs as detailed below:

The auditors' remuneration of £1,000 (2015: £1,000) is borne by Galliford Try Building Limited, a fellow subsidiary of Galliford Try plc.

Kingseat Development 1 Limited**Notes to the financial statements for the year ended 30 June 2016 (continued)****4. Developments**

	2016	2015
	£'000	£'000
Work in progress	711	711
	711	711

5. Trade and other receivables

	2016	2015
	£'000	£'000
Amounts falling due within one year:		
Other debtors	457	457
	457	457

Amounts owed by Group undertakings do not bear interest, have no fixed date of repayment and are repayable on demand.

Trade and other receivables do not contain any assets that are past due or impaired (2015: £Nil).

6. Trade and other payables

	2016	2015
	£'000	£'000
Amounts owed to Group undertakings	1,142	1,142
Other creditors	55	55
	1,197	1,197

Amounts owed to fellow group undertakings are non-interest bearing, unsecured and repayable on demand.

7. Share capital

	Number of shares	Ordinary shares £'000
Allotted and fully paid ordinary shares of £1		
At 01 July 2015	100	—
At 30 June 2016	100	—

Kingseat Development 1 Limited

Notes to the financial statements for the year ended 30 June 2016 (continued)

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 £313.8 million (2015: £312.3 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 Building Limited 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.