

Galliford Try Plant Limited

Annual report and Financial statements

For the year ended 30 June 2012

Registered number 05860430

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Galliford Try Plant Limited

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Galliford Try Plant Limited

Directors and advisers

Directors

DM Ashton
MR LeLorrain
K Gillespie
D Walton

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

Galliford Try Plant Limited

Directors' report for the year ended 30 June 2012

The directors present their annual report and the audited financial statements of Galliford Try Plant Limited, registered number 05860430 ("the Company") for the year ended 30 June 2012

Principal activities

The principal activity of the Company is that of providing plant hire for fellow group companies along with the management of the groups vehicle fleet

The level of trade increased in the year under review No significant change in the activity of the Company is expected

Results and dividends

The Company's profit after taxation for the financial year was £820,024 (2011 £394,000), which will be added to reserves

The directors do not recommend the payment of a dividend (2011 £nil)

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, except where stated below

E Cathcart resigned as a director of the Company on 20 March 2012

Following shareholder 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

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 appointment 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

Galliford Try Plant Limited

Directors' report for the year ended 30 June 2012 (continued)

Principal risks, uncertainties and key performance indicators

From the perspectives 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.

Employees

The Company is an equal opportunities employer.

It is the Company's policy to give full and fair consideration to applications for employment by disabled persons, to continue wherever possible the employment of those who became disabled and to provide equal opportunities for the training, retraining, career development and promotion of disabled persons.

The establishment and maintenance of safe working practices are of the greatest importance to the Company and special training in health and safety is provided for employees.

Within the bounds of commercial confidentiality, management disseminates information to, and consults with, all levels of staff about matters that affect the progress of the Company and are of interest and concern to them as employees. This has been achieved through road shows hosted at all the major business sites, webcasts of the annual results and through updates on the intranet. The Company also encourages employee involvement in the Company's performance by the operation of employee incentive schemes.

Statement of directors' responsibilities

The directors are responsible for preparing the 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 International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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 International Financial Reporting Standards (IFRSs) as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

Galliford Try Plant Limited

Directors' report for the year ended 30 June 2012 (continued)

Statement of directors' responsibilities (continued)

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. 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.

Disclosure of information to auditors

Each of the persons who is a 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 he ought to have 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.

Independent auditors

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

The report of the directors was approved by the board of directors on
and signed by its order by

11 March 2013

A S White

Galliford Try Secretariat Services Limited
Company secretary

Independent auditors' report to the members of Galliford Try Plant Limited

We have audited the financial statements of Galliford Try Plant Limited for the year ended 30 June 2012 which comprise the Income statement, the Balance sheet, the Statement of changes in equity, the Statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Respective responsibilities of directors and auditors

As explained more fully in the statement of Directors' Responsibilities set out on page 3, 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). 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.

Scope of the audit of the financial statements

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. In addition, we read all the financial and non-financial information in the Annual report and Financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the Company's affairs as at 30 June 2012 and of its profit and cash flows for the year then ended,
- have been properly prepared in accordance with IFRSs as adopted by the European Union, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

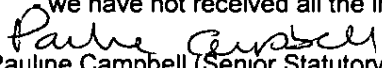
Opinion on other matters prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- 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, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.


Pauline Campbell (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Uxbridge 11 March 2013

Galliford Try Plant Limited

Income statement for the year ended 30 June 2012

		2012	2011
	Note	£'000	£'000
Revenue		21,456	18,314
Cost of sales		(18,893)	(15,396)
Gross profit		2,563	2,918
Administrative expenses		(1,425)	(2,296)
Profit on ordinary activities before finance charges and interest		1,138	622
Finance income	3	7	-
Finance costs	3	-	(16)
Profit before income tax	4	1,145	606
Income tax expense	5	(325)	(212)
Profit for the year		820	394

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

Galliford Try Plant Limited

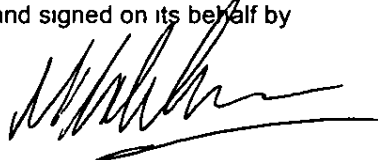
Balance sheet as at 30 June 2012

	Note	2012 £'000	2011 £'000
Assets			
Non current assets			
Property, plant and equipment	6	3,332	2,871
Total non current assets		3,332	2,871
Current assets			
Trade and other receivables	7	954	1,921
Current income tax assets	8	-	76
Cash and cash equivalents	9	3,396	971
Total current assets		4,350	2,968
Total assets		7,682	5,839
Liabilities			
Current liabilities			
Trade and other payables	10	(5,958)	5,076
Current income tax liabilities	11	(102)	-
Total current liabilities		(6,060)	(5,076)
Net current (liabilities)		(1,710)	(2,108)
Non current liabilities			
Deferred income tax liability	12	(74)	(35)
Total non current liabilities		(74)	(35)
Total liabilities		(6,134)	(5,111)
Net assets		1,548	728
Equity			
Ordinary shares	4	-	-
Other reserves		233	233
Retained earnings		1,315	495
Total equity attributable to owners of the company		1,548	728

The notes on pages 10 to 23 are an integral part of these financial statements

The financial statements on pages 6 to 23 were approved by the Board of directors on and signed on its behalf by

11 March 2013



MR LeLorrain

Director

Registered number 05860430

Galliford Try Plant Limited

Statement of changes in equity for the year ended 30 June 2012

	Note	Ordinary shares £'000	Other reserves £'000	Retained earnings £'000	Total equity £'000
At 01 July 2010		-	233	101	334
Profit for the year		-	-	394	394
At 01 July 2011		-	233	495	728
Issue of shares	4	-	-	-	-
Profit for the year		-	-	820	820
At 30 June 2012		-	233	1,315	1,548

Galliford Try Plant Limited

Statement of cash flows for the year ended 30 June 2012

	Note	2012 £'000	2011 £'000
Cash flows from operating activities			
Profit before finance costs		1,138	622
Adjustments for			
Depreciation		595	820
Profit on sale of property plant and machinery		(43)	(63)
Other non cash movements		-	(104)
Net cash generated from operations before changes in working capital		1,690	1,275
Decrease in inventories		-	4
Decrease in trade and other receivables		967	607
Increase in payables		882	459
Net cash generated from operations		3,539	2,345
Interest received		7	-
Income tax paid		(108)	(404)
Net cash generated from operating activities		3,438	1,941
Cash flows from investing activities			
Acquisition of property, plant and equipment	6	(1,076)	(1,774)
Proceeds from sale of property, plant and equipment		63	210
Net cash used in from investing activities		(1,013)	(1,564)
Net increase in cash and cash equivalents		2,425	377
Cash and cash equivalents at 1 July	9	971	594
Cash and cash equivalents at 30 June	9	3,396	971

For the purpose of the cash flow statements, cash and cash equivalents are reported net of bank overdrafts. Bank overdrafts are excluded from the definition of cash and cash equivalents in the balance sheet.

Galliford Try Plant Limited

Notes to the financial statements for the year ended 30 June 2012

1. Accounting policies

General Information

Galliford Try Plant Limited ('the Company') is a limited company incorporated, and domiciled in England and Wales (Registered number 05860430). The address of the registered office is Galliford Try Plant Limited, Cowley Business Park, Cowley, Uxbridge, Middlesex, UB8 2AL.

The financial statements are 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 EU adopted International Accounting Standards (IASs), International Financial Reporting Standards (IFRSs), IFRIC interpretations and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared on the going concern basis and under the historical cost convention as modified by the revaluation of financial assets and liabilities (including derivative financial instruments) at fair value through profit and loss. The Company has applied all accounting standards and interpretations issued by the International Accounting Standards Board and International Financial Reporting Interpretations Committee, and endorsed by the EU, relevant to its operations and effective on 01 July 2011. These policies have been applied consistently, other than where new policies have been adopted.

New amendments to standards that became mandatory for the first time for the financial year beginning 1 July 2011 were as follows. The new amendments had no significant impact on the Company's results.

- IAS 24 (revised), 'Related party disclosures'
- Amendment to IFRS 7, Financial instruments Disclosures
- Amendment to IFRS 1 on hyperinflation and fixed dates
- Amendment to IFRIC 14, 'Pre-payments of a Minimum Funding Requirement'

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

- Amendment to IAS 1, 'Presentation of financial statements' on OCI
- IFRS 9, 'Financial instruments'
- IFRS 10, 'Consolidated financial statements'
- IFRS 11, 'Joint arrangements'
- IFRS 12, 'Disclosures of interests in other entities'
- IFRS 13, 'Fair value measurement'
- IAS 19 (revised 2011) 'Employee benefits'
- IAS 27 (revised 2011) 'Separate financial statements'
- IAS 28 (revised 2011) 'Associates and joint ventures'
- Amendment to IAS 12, 'Income taxes' on deferred tax
- Amendment to IFRS 1 on government grants
- Amendment to IFRS 7, Financial instruments asset and liability offsetting
- Amendment to IAS 32, Financial instruments asset and liability offsetting
- IFRIC 20 'Stripping costs in the production phase of a surface mine'

Galliford Try Plant Limited

Notes to the financial statements for the year ended 30 June 2012 (continued)

1. Accounting policies (continued)

Basis of accounting (continued)

The Company has yet to assess the full impact of the of these new standards and amendments. Initial indications are that they will not significantly impact the financial statements of the Company.

The Company has not early adopted any of these standards.

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 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.

Revenue and profit

Revenue is recognised when the significant risks and rewards of ownership have been transferred to the purchaser. Revenue is recognised on an accruals basis once the service has been performed with reference to value provided to the customer. Profit is recognised by reference to the specific costs incurred relating to the service provided.

Interest income and expense

Interest income and expense is recognised on a time proportion basis using the effective interest method.

Dividend policy

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

Income tax

Current income tax is based on the taxable profit for the year. Taxable profit differs from profit before taxation recorded in the Income statement because it excludes items of income or expense that are taxable or deductible in other years or that are never taxable or deductible. The liability for current tax is calculated using rates that have been enacted, or substantively enacted, by the balance sheet date. The Company surrenders tax losses and other allowances by group relief to other Galliford Try group companies. The party accepting such surrender pays the Company an amount equal to the amount of tax such accepting party would have paid but for such surrender.

Deferred income tax is provided using the balance sheet liability method, providing for all temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred income tax is accounted for on an undiscounted basis. A deferred tax asset is only recognised when it is more likely than not that the asset will be recoverable in the foreseeable future out of suitable taxable profits from which the underlying temporary differences can be deducted.

Galliford Try Plant Limited

Notes to the financial statements for the year ended 30 June 2012 (continued)

1. Accounting Policies (continued)

Deferred income tax is charged or credited through the Income statement, except when it relates to items charged or credited through the statement of comprehensive income, when it is charged or credited there

Property, plant and equipment

Land and buildings comprise mainly offices and are stated at cost less impairment. All other property, plant and equipment is stated at cost less accumulated depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated to write off the cost of each asset to estimated residual value over its expected useful life. Freehold land and buildings are not depreciated. The annual rates of depreciation are as follows:

On cost or reducing balance

Plant and machinery

12% to 50%

Fixtures and fittings

10% to 33%

In addition to systematic depreciation the book value of property, plant and equipment would be written down to estimated recoverable amount should any impairment in the respective carrying values be identified. The asset residual values, carrying values and useful lives are reviewed on an annual basis and adjusted if appropriate at each balance sheet date.

Repairs and maintenance expenditure is expensed as incurred on an accruals basis.

Investments in subsidiaries

Investments are stated at cost plus incidental expenses less any provision for impairment.

Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals under operating leases are charged to the income statement on a straight line basis over the lease term.

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.

Galliford Try Plant Limited

Notes to the financial statements for the year ended 30 June 2012 (continued)

1. Accounting policies (continued)

Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at nominal value. For the purposes of the cash flow statement, cash and cash equivalents comprise cash at bank and in hand, including bank deposits with original maturities of three months or less. Bank overdrafts are also included as they are an integral part of the Company's cash management.

Bank deposits with an original term of more than three months are classified as short term deposits where the cash can be withdrawn on demand and the penalty for early withdrawal is not significant.

Bank and other borrowings

Interest bearing bank loans and overdrafts and other loans are originally recognised at fair value net of transaction costs incurred. Such borrowings are subsequently stated at amortised cost with the difference between initial fair value and redemption value recognised in the income statement over the period to redemption.

Finance charges, including premiums payable on settlement or redemption and direct issue costs, are accounted for on an accruals basis in the income statement using the effective interest rate method. Re-financing costs associated with new borrowing arrangements are included within the borrowing amount and amortised over the period of the loan.

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.

Retirement benefit obligations

The Company operates a defined contribution pension scheme. Contributions are determined as a percentage of employees earnings and are charged to the income statement on an accruals basis.

Galliford Try Plant Limited

Notes to the financial statements for the year ended 30 June 2012 (continued)

2. Employees and directors

Employee benefit expense for the Company for the year is

	2012 £'000	2011 £'000
Wages and salaries	505	552
Redundancy and termination costs	-	12
Social security costs	55	54
Other pension costs	37	37
	597	655

The disclosure above includes some employees who are employed by Galliford Try Employment Limited, a fellow subsidiary company, who are seconded to Galliford Try Plant Limited and their costs are recharged to the Company accordingly

The average monthly number of people including executive directors employed is

	2012 Number	2011 Number
By activity		
Production and sales	-	-
Administration	14	16
Management	3	3
	17	19

Remuneration of key management personnel

The key management personnel comprise the directors of the company. The remuneration of the key management personnel of the Company is set out below in aggregate for each of the categories specified in IAS 24, Related Party Disclosures

	2012 £'000	2011 £'000
Salaries	110	87
Retirement benefit costs	13	13
	123	100

The emoluments of DM Ashton, K Gillespie and MR LeLorrain are paid by Galliford Try Infrastructure Limited. These directors are also directors of fellow subsidiaries of Galliford Try plc and it is not possible to make an accurate apportionment in respect of their emoluments to this subsidiary. Accordingly, the above details include no emoluments in respect of these directors. Their emoluments are disclosed where appropriate in the financial statements of the companies where significant costs are relevant.

	2012 £'000	2011 £'000
Number of directors to whom retirement benefits are accruing under pension schemes		
Defined contributions scheme	1	1

Galliford Try Plant Limited

Notes to the financial statements for the year ended 30 June 2012 (continued)

3. Net finance income/(costs)

	2012 £'000	2011 £'000
Interest receivable		
- from group companies	7	-
Finance income	7	-
Interest payable		
- on borrowings	-	(1)
- to group companies	-	(15)
Finance costs	-	(16)
Net finance income/(costs)	7	(16)

The interest receivable from group companies is the receipt of interest on overdrafts maintained by fellow subsidiary companies within the Group cash offset arrangement

4. Profit before income tax

The following items have been included in arriving at the profit before income tax

	2012 £'000	2011 £'000
Employee benefit expense	597	655
Depreciation of property, plant and equipment		
- Owned assets	595	820
Profit on sale of property, plant and equipment	(43)	(63)
Other operating lease rentals payable		
- Plant and machinery	13,176	10,739
- Property	115	174

The auditors' remuneration of £3000 (2011 £3000) was borne by Galliford Try Services Limited a fellow subsidiary undertaking of Galliford Try plc

5. Income tax

	Note	2012 £'000	2011 £'000
Analysis of expense in year			
Current tax		(286)	(271)
Deferred tax		(39)	40
Adjustments in respect of prior years			
Current tax		-	12
Deferred tax		-	7
Income tax expense		(325)	(212)

Galliford Try Plant Limited

Notes to the financial statements for the year ended 30 June 2012 (continued)

5. Income tax expense (continued)

The total income tax expense for the year of £ 324,766 (2011 £212,000) is higher than (2011 higher than) the year end standard rate of corporation tax in the UK of 24% (2011 26%) The differences are explained below

	2012 £'000	2011 £'000
Profit before income tax	1,145	606
Profit before income tax multiplied by the year end standard rate in the UK of 24% (2011 26%)	(275)	(158)
Effects of		
Expenses not deductible for tax purposes	(33)	(73)
Change in rate of current income tax	(17)	-
Adjustments in respect of prior years	-	19
Income tax expense	(325)	(212)

The standard rate of Corporation Tax in the UK changed from 26% to 24% with effect from 1 April 2012 Accordingly, the Company's profits for this accounting year are taxed at an effective rate of 25.5% and will be taxed at 24% in the future

In addition to the changes in rates of Corporation tax disclosed above a number of further changes to the UK Corporation tax system were announced in the March 2012 UK Budget Statement Legislation to reduce the main rate of corporation tax from 24% to 23% from 1 April 2013 was included in the Finance Act 2012 Further reductions to the main rate are proposed to reduce the rate by 1% per annum to 22% by 1 April 2014 None of these further rate reductions had been substantively enacted at the balance sheet date and, therefore, are not included in these financial statements

The effect of the changes enacted in the Finance Act 2012 would be to reduce the deferred tax liability provided at the balance sheet date by £3000 This £3000 decrease in the deferred tax liability would increase profit by £3000 with no change to other comprehensive income This decrease in the deferred tax liability is due to the reduction in the corporation tax rate from 24% to 23% with effect from 1 April 2013

The proposed reductions of the main rate of corporation tax by 1% per year to 22% by 1 April 2014 are expected to be enacted separately each year The overall effect of the further changes from 24% to 22%, if applied to the deferred tax balance at the balance sheet date, would be to reduce the deferred tax liability by £6000 being £3000 recognised in 2013 and £3000 recognised in 2014

Galliford Try Plant Limited

Notes to the financial statements for the year ended 30 June 2012 (continued)

6. Property, plant and equipment

	Plant and machinery £'000	Fixtures and fittings £'000	Total £'000
Cost			
At 01 July 2010	2,652	474	3,126
Additions	1,569	205	1,774
Disposals	(401)	(149)	(550)
At 01 July 2011	3,820	530	4,350
Additions	1,049	27	1,076
Disposals	(219)	-	(219)
At 30 June 2012	4,650	557	5,207
Accumulated depreciation			
At 01 July 2010	782	280	1,062
Charge for the year	641	179	820
Disposals	(284)	(119)	(403)
At 01 July 2011	1,139	340	1,479
Charge for the year	465	130	595
Disposals	(199)	-	(199)
At 30 June 2012	1,405	470	1,875
Net book amount			
At 30 June 2012	3,245	87	3,332
At 30 June 2011	2,681	190	2,871

There are no assets held under finance lease (2011 £Nil)

There has been no impairment of property, plant and equipment during the year (2011 £Nil)

7. Trade and other receivables

	2012 £'000	2011 £'000
Amounts falling due within one year		
Trade receivables	366	-
Trade receivables - net	366	-
Amounts owed by group undertakings	565	1,024
Other receivables	-	474
Prepayments and accrued income	23	423
	954	1,921

Amounts owed by group undertakings have no interest chargeable or repayment date

Trade and other receivables do not contain any assets that are past due or impaired (2011 £Nil)

Galliford Try Plant Limited

Notes to the financial statements for the year ended 30 June 2012 (continued)

8. Current income tax asset

	2012 £'000	2011 £'000
Current income tax asset	-	76

The Company surrenders tax losses and other allowances by group relief to other Galliford Try group companies. The party accepting such surrender pays the Company an amount equal to the amount of tax such accepting party would have paid but for such surrender.

9. Cash and cash equivalents

	2012 £'000	2011 £'000
Cash at bank and in hand	3,396	971
Cash and cash equivalents for cash flow purposes	3,396	971

The effective interest rate received on cash balances is 0.5% (2011: 1.5%).

10. Trade and other payables

	2012 £'000	2011 £'000
Trade payables	1,145	1,391
Amounts due to group undertakings	155	177
Other taxation and social security payable	843	387
Accruals and deferred income	3,815	3,121
	5,958	5,076

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

11. Current income tax liabilities

	2012 £'000	2011 £'000
Current income tax liabilities	102	-

Galliford Try Plant Limited

Notes to the financial statements for the year ended 30 June 2012 (continued)

12. Deferred income tax liability

Deferred income tax is calculated in full on temporary differences under the liability method using a tax rate of 24% (2011 26%)

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities. The net deferred tax position at 30 June was

	2012	2011
	£'000	£'000
Deferred income tax (liability)	(74)	(35)

The movement for the year in the net deferred income tax account is as shown below

	2012	2011
	£'000	£'000
At 1 July	(35)	(81)
Income statement		
Current year's deferred income tax	(39)	40
Adjustment in respect of prior years	-	7
Change in tax rate	-	(1)
At 30 June	(74)	(35)

Deferred income tax liabilities relate to accelerated tax depreciation

13. Financial instruments

The Company's activities expose it to a variety of financial risks: market risk (including interest rate risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

The Company operates within financial risk policies and procedures approved by Galliford Try plc's Board (the Board). It is, and has been throughout the year, the Company's policy that no trading in financial instruments shall be undertaken. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity. The Company's financial instruments principally comprise bank borrowings, cash and liquid resources, receivables and payables that arise directly from its operations and its acquisitions.

Galliford Try Plant Limited

Notes to the financial statements for the year ended 30 June 2012 (continued)

13. Financial instruments (continued)

Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt

Financial risk factors

(a) Market risk

(i) Foreign exchange risk

All material activities of the Company take place within the UK and consequently there is little direct exchange risk other than payments to overseas suppliers who require settlement in their currency. The Company has no material currency exposure at 30 June 2012 (2011 Nil)

(ii) Price risk

The Company is not exposed to equity securities price risk because investments held by the Company are classified on the balance sheet either as available for sale or at fair value through profit or loss. The Company is not exposed to commodity price risk

(iii) Interest rate risk

The Company's income and operating cash flows are substantially independent of changes in market interest rates. The Company interest rate risk arises from movement in cash and cash equivalents and long-term borrowings. Borrowings issued at variable rates expose the Company to cash flow interest rate risk. The Company policy is to accept a degree of interest rate risk as long as the effect of various changes in rates remains within prescribed ranges

(b) Credit risk

Credit risk arises from cash and cash equivalents, borrowings with banks and financial institutions, as well as credit exposures to receivables and committed transactions. The Company has a credit risk exposure to the providers of its banking facilities. These are primarily provided by HSBC Bank plc, The Royal Bank of Scotland plc and Barclays Bank PLC, being three of the UK's leading financial institutions

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the Galliford Try plc's (Group) underlying businesses, the group treasury maintains flexibility in funding by maintaining availability under committed credit lines

Galliford Try Plant Limited

Notes to the financial statements for the year ended 30 June 2012 (continued)

13. Financial instruments (continued)

The Company finances its operations through a mixture of retained profits and bank borrowings. Group management monitors rolling forecasts of the Company's liquidity reserve (which comprises undrawn borrowing facilities (see below) and cash and cash equivalents on the basis of expected cash flow. On a daily basis throughout the year, the bank balances or borrowings in all the Company's operating companies are aggregated into a total cash or borrowing figure in order that the Group can obtain the most advantageous interest rate.

In accordance with IAS 39, Financial instruments recognition and measurement, the Company has reviewed all contracts for embedded derivatives that are required to be separately accounted for if they do not meet certain requirements set out in the standard. No such embedded derivatives have been identified.

Fair values of non-derivative financial assets and financial liabilities

Primary financial instruments held or issued to finance the Company's operations

		2012	2012	2011	2011
	Note	Book value £'000	Fair value £'000	Book value £'000	Fair value £'000
Trade and other payables	10	(5,115)	(5,115)	(4,689)	(4,689)
Trade and other receivables	7	931	931	1,498	1,498
Cash and cash equivalents	9	3,396	3,396	971	971

Prepayments and accrued income are excluded from the trade and other receivables balances and statutory liabilities and payments received on account on construction contracts are excluded from trade and other payables balances, as this analysis is required only for financial instruments.

Borrowing facilities

The Company utilises Galliford Try plc's bank facilities which had the following undrawn committed borrowing facilities available at 30 June which are restricted by the value of developments available to be secured under the terms of the facility.

	Note	2012 Floating rate £'000	2011 Floating rate £'000
Expiring			
In more than two years		237,700	302,400
		237,700	302,400

The Galliford Try Group has a £325 million revolving credit facility with HSBC Bank plc, Barclays Bank PLC and The Royal Bank of Scotland plc. The facility provides long term finance and bonding facilities providing working capital with a comfortable margin for the Group's projected requirements until 2015. The facility is subject to covenants over interest cover, gearing, adjusted gearing taking account of land creditor debt and minimum consolidated tangible assets as well as security against the Group's house building development sites. Interest is calculated by aggregating margin, LIBOR and relevant costs.

Galliford Try Plant Limited

Notes to the financial statements for the year ended 30 June 2012 (continued)

14. Ordinary shares

Allotted and fully paid ordinary shares of £1	Number of shares	Ordinary shares £'000
At 01 July 2011	1	-
At 30 June 2012	1	-

15. Financial commitments

The Company has entered into non-cancellable contracts for the operational leasing of land and buildings and plant and machinery. The leases have various terms, escalation clauses and renewal rights. The maximum commitments for payments under these contracts are as follows:

	2012 Vehicles, plant and equipment £'000	2011 Vehicles, plant and equipment £'000
Amounts due		
Within one year	7,891	7,249
Later than one year and less than five years	13,526	14,681
	21,417	21,930

Galliford Try plc, together with certain of its subsidiaries, has entered into arrangements with HSBC Bank plc, The Royal Bank of Scotland plc, and Barclays Bank PLC to guarantee the borrowings of Group companies. Fixed charges have been given to these banks over certain of the Groups' developments.

16. 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 £135.3 million (2011: £125.5 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.

Galliford Try Plant Limited

Notes to the financial statements for the year ended 30 June 2012 (continued)

17. Related party transactions

Transactions between the Company and other group undertakings are disclosed as follows

	Sales to related parties		Purchases from related parties	
	2012	2011	2012	2011
	£'000	£'000	£'000	£'000
Trading transactions				
Parent company	-	6,582	-	-
Other group companies	20,232	10,890	594	715

	Amounts owed by related parties		Amounts owed to related parties	
	2012	2011	2012	2011
	£'000	£'000	£'000	£'000
Trading transactions				
Parent company	(624)	193	-	-
Other group companies	1,189	831	155	177

	Net interest income from loans to related parties	
	2012	2011
	£'000	£'000
Non trading transactions		
Other group companies	7	-

Services are sold to related parties based on terms that would be available to unrelated third parties. Receivables are due within one year (2011: one year) and are unsecured and interest free. Payables are due within one year (2011: one year) and are interest free.

18. Post balance sheet events

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

19. Ultimate parent undertaking and controlling party

The immediate parent undertaking is Galliford Try Infrastructure Limited, which is registered in Scotland. The ultimate parent undertaking and controlling party is Galliford Try plc, which is registered in England and Wales. This is the only company that consolidates this company's financial statements. 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.