

GT (North Hub) Investments Limited

Annual Report and Financial Statements

For the year ended 30 June 2016

Registered Number SC390849

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Annual Report and Financial Statements

Contents

Directors and Advisers	1
Directors' Report	2
Independent Auditors' Report to the members of GT (North Hub) Investments Limited	4
Income Statement	6
Balance Sheet	7
Statement of Changes in Equity	8
Notes to the Financial Statements	9

Directors and advisers

Directors

M Baxter
P J Harris

Company secretary

Galliford Try Secretariat Services Limited

Registered office

PO Box 17452
2 Lochside View
Edinburgh
EH12 1LB

Independent auditors

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

Directors' Report

The Directors present their report and audited financial statements for the year ended 30 June 2016.

Review of the Business

The company is an investment holding company. The company holds a 50% share of ACP: North Hub Limited and invests cash by way of loans to subsidiaries of ACP: North Hub Limited. The subsidiaries are involved in the construction of public infrastructure assets including schools and health centres under DBFM (Design, Build, Finance and Maintain) schemes.

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 result for the financial year is £Nil (2015: loss of £172,494). The directors do not recommend the payment of a dividend (2015: £nil).

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 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.

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 a going concern basis is appropriate due to the continued financial support of the immediate parent company, Galliford Try Investments Limited. The directors have received confirmation that Galliford Try Investments intends to support the company for at least one year after these financial statements are signed.

Disclosure of Information to Auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Directors' Report (continued)

Strategic Report

The company is exempt from preparing a Strategic Report as it is a small company.

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 estimates that are reasonable and prudent;
- state whether applicable UK 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 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Independent Auditors

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

On behalf of the board



M Baxter
Director

28 February 2017

PO Box 17452
2 Lochside View
Edinburgh
EH12 1LB

Independent auditors' report to the members of GT (North Hub) Investments Limited

Report on the financial statements

Our opinion

In our opinion, GT (North Hub) Investments 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 and Financial Statements (the "Annual Report"), comprise:

- the Balance Sheet as at 30 June 2016;
- the Income Statement for the year then ended;
- the 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 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.

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.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

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) ("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

Income statement for the year ended 30 June 2016

	Note	2016 £	2015 £
Finance income	4	297,398	220,235
Finance costs	4	(297,398)	(392,729)
Result / (loss) on ordinary activities before taxation		-	(172,494)
Tax on result / (loss) on ordinary activities	5	-	-
Result / (loss) for the financial year		-	(172,494)

Notes on pages 9 to 15 form part of the financial statements.

The results for the financial year have been derived from continuing activities.

There are no recognised gains or losses other than those disclosed above.

There is no material difference between the result / (loss) on ordinary activities before taxation and the result / (loss) for the financial year stated above and their historical cost equivalents.

Balance sheet as at 30 June 2016

	Note	2016 £	2015 £
Assets			
Non-current assets			
Financial assets: Available for sale financial assets	6	2,772,640	2,697,302
Current assets			
Trade and other receivables	7	237,114	153,188
Total assets		<u>3,009,754</u>	<u>2,850,490</u>
Liabilities			
Current liabilities			
Trade and other payables	8	(273,421)	(163,448)
Net current liabilities		(36,307)	(10,260)
Non-current liabilities			
Trade and other payables	9	(2,736,282)	(2,686,991)
Net assets		<u>51</u>	<u>51</u>
Capital and reserves			
Called up share capital	10	51	51
Profit and loss account		-	-
Total shareholders' funds		<u>51</u>	<u>51</u>

The notes on pages 9 to 15 form part of these financial statements.

These financial statements were approved by the board of Directors on 28 February 2017 and were signed on its behalf by:



M Baxter
Director

28 February 2017

Statement of changes in equity for the year ended 30 June 2016

	Called up share capital	Profit and loss account	Total shareholder's funds
	£	£	£
As at 1 July 2014	51	172,494	172,545
Loss for the financial year	-	(172,494)	(172,494)
As at 1 July 2015	51	-	51
Result for the financial year	-	-	-
As at 30 June 2016	51	-	51

Notes to the financial statements

1. Accounting policies

General information

GT (North Hub) Investments Limited (the Company) is a limited company incorporated and domiciled in Scotland (Registered number: SC390849). The address of the registered office is PO Box 17452, 2 Lochside View, Edinburgh, EH12 1LB).

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.

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 11 gives details of the Company's ultimate parent and from where its consolidated financial statements prepared in accordance with IFRS may be obtained.

These are the first financial statements of the Company prepared in accordance with FRS 101. The Company's date of transition to FRS 101 is 1 July 2014. The Company has notified its shareholders in writing about, and they do not object to, the use of disclosure exemptions used by the Company in these financial statements.

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 UK GAAP was not material to the shareholders' equity as at the date of transition and as at 30 June 2015 and on the profit or loss for the year ended 30 June 2015.

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 paragraph 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
- The requirements of paragraph 134 of IAS 36, Impairment of Assets

Notes to the financial statements (continued)

1. Accounting policies (continued)

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

The financial statements have been prepared on the going concern basis which the directors believe to be appropriate for the following reasons. The company is dependent for its working capital on funds provided to it by Galliford Try Corporate Holdings Limited, the company's immediate parent. Galliford Try Corporate Holdings Limited has indicated that for at least 12 months from the date of approval of these financial statements, it will continue to make available such funds as are needed by the company and in particular will not seek repayment of the amounts currently made available. The directors consider that this should enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment.

Accordingly, the directors of the company continue to adopt the going concern basis in preparing the annual financial statements.

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.

Available for sale financial assets

Available for sale financial assets are non-derivatives. They are included in non-current assets unless management intends to dispose of the assets within 12 months of the balance sheet date. On initial recognition the asset is recognised at fair value plus transaction costs. Available for sale financial assets are measured at subsequent reporting dates at fair value. Gains and losses arising from changes in fair value are recognised directly in equity, until the asset is disposed of or is determined to be impaired, at which time the cumulative gain or loss previously recognised in equity is included in the net profit or loss for the year.

2. Result / (loss) on ordinary activities 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 (2015: £Nil).

3. Staff numbers and costs

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

Notes to the financial statements (continued)

4. Net finance income / (cost)

	2016 £	2015 £
Finance income	297,398	220,235
Finance cost	(297,398)	(392,729)
	<u>-</u>	<u>(172,494)</u>

5. Tax on result / (loss) on ordinary activities

Analysis of tax charge in year:

	2016 £	2015 £
<i>UK Corporation Tax</i>		
Current tax on income for the year	-	-

Factors affecting the tax charge for the current year

The current tax charge for the year is the same as (2015: higher than) the standard rate of corporation tax in the UK 20% (2015: 20.75%). The differences are explained below:

	2016 £	2015 £
<i>Current tax reconciliation</i>		
Result / (loss) on ordinary activities before taxation	-	(172,494)
Current tax at 20% (2015: 20.75%)	-	(35,793)
Effects of:		
Group relief received at nil consideration	-	35,793
Total tax	<u>-</u>	<u>-</u>

Notes to the financial statements (continued)

6. Available for sale financial assets

	Loans to Group undertakings £
<i>Cost and net book value</i>	
At 1 July 2014	1,531,592
Additions	1,176,382
Repayments	(10,672)
At 1 July 2015	2,697,302
Additions	85,598
Repayments	(10,260)
At 30 June 2016	2,772,640

The principal company in which the company has an interest at the balance sheet date is as follows:

	Shares held		
	Class	Nature of Business	Country of incorporation
ACP: North Hub Limited	Ordinary	Investment Holding	Scotland

Fixed asset investments comprise subordinated loan notes invested in Aberdeen Community Healthcare Village Limited, Hub North Scotland (FWT) Limited, Hub North Scotland (Alford) Limited and Hub North Scotland (Wick) Limited which are all subsidiary undertakings of ACP: North Hub Limited. Interest is receivable on the loan notes at the rate of 10.2%.

Notes to the financial statements (continued)

6. Investments (continued)

The company also has the following related undertakings:

	Shares held %	Ownership	Country of incorporation
Hub North Scotland Limited	30%	Indirect	Scotland
Aberdeen Community Healthcare Village Limited	30%	Indirect	Scotland
Hub North Scotland (FWT) Limited	30%	Indirect	Scotland
Hub North Scotland (Alford) Limited	30%	Indirect	Scotland
Hub North Scotland (Wick) Limited	30%	Indirect	Scotland
Hub North Scotland (Wick) Holdings Limited	30%	Indirect	Scotland
Hub North Scotland (Anderson) Holdings Limited	30%	Indirect	Scotland
Hub North Scotland (Anderson) Limited	30%	Indirect	Scotland
Hub North Scotland (Elgin High School) Holdings Limited	30%	Indirect	Scotland
Hub North Scotland (Elgin High School) Limited	30%	Indirect	Scotland
Hub North Scotland (I&F) Holdings Limited	30%	Indirect	Scotland
Hub North Scotland (I&F) Limited	30%	Indirect	Scotland
Hub North Scotland (New Academy – SOTC) Holdings Limited	30%	Indirect	Scotland
Hub North Scotland (New Academy – SOTC) Limited	30%	Indirect	Scotland
Hub North Scotland (O&C) Holdings Limited	30%	Indirect	Scotland
Hub North Scotland (O&C) Limited	30%	Indirect	Scotland

Notes to the financial statements (continued)

7. Trade and other receivables

	2016 £	2015 £
Interest receivable on loans to investees	<u>237,114</u>	<u>153,188</u>

8. Trade and other payables

	2016 £	2015 £
Amounts owed to group undertakings	36,307	10,260
Interest payable to parent company	237,114	153,188
	<u>273,421</u>	<u>163,448</u>

Amounts owed to group undertakings bear interest at 10.2%. The amounts are unsecured and are repayable in full, following contractual profiles in line with repayment of the underlying loans owed by Aberdeen Community Healthcare Village Limited, Hub North Scotland (FWT) Limited, Hub North Scotland (Alford) Limited and Hub North Scotland (Wick) Limited.

9. Other non-current liabilities

	2016 £	2015 £
Amounts owed to group undertakings	<u>2,736,282</u>	<u>2,686,991</u>

Amounts owed to group undertakings bear interest at 10.2%. The amounts are unsecured and are repayable in full, following contractual profiles in line with repayment of the underlying loans owed by Aberdeen Community Healthcare Village Limited, Hub North Scotland (FWT) Limited, Hub North Scotland (Alford) Limited and Hub North Scotland (Wick) Limited. The amounts are repayable in full by 31 March 2042.

10. Called up share capital

	2016 £	2015 £
<i>Allotted, called up and fully paid</i>		
51 (2015: 51) ordinary shares of £1 each	<u>51</u>	<u>51</u>

Notes to the financial statements (continued)

11. Transition to FRS 101 from old UK GAAP

As stated in Note 1, these are the company's first financial statements prepared in accordance with FRS 101. The accounting policies set out in Note 1 have been applied in preparing the financial statements for the year ended 30 June 2016 and the comparative information presented in these financial statements for the year ended 30 June 2015.

No adjustments to amounts reported have arisen in respect of the transition to FRS 101.

12. Ultimate parent company

The immediate parent undertaking is Galliford Try Investments 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 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.