GT (North Hub) Investments Limited

Annual Report and Financial Statements

For the year ended 30 June 2017
Registered Number SC390849

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Annual Report and Financial Statements

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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
Middlesex
Uxbridge
UB8 1EX

Directors' Report

The Directors present their report and audited financial statements for the year ended 30 June 2017.

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 PFI related 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 (2016: £Nil). The directors do not recommend the payment of a dividend (2016: £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 intermeidate parent company, Galliford Try Construction & Investments Holdings Limited. The directors have received confirmation that Galliford Try Construction & Investments Holdings Limited intends to support the company for at least one year after these financial statements are signed.

Post balance sheet events

There are no significant post balance sheet events.

Directors' Report (continued)

Strategic Report

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

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

Independent Auditors

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

On behalf of the board

M Baxter
Director

28/02 / **2018**

PO Box 17452
2 Lochside View
Edinburgh
EH12 1LB

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

Report on the audit of the financial statements

Opinion

In our opinion, GT (North Hub) Investments Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2017 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual report and Financial statements (the "Annual Report"), which comprise: the Balance sheet as at 30 June 2017; the Income statement and the Statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

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

Independence

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

Conclusions relating to going concern

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

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

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

Reporting on other information

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

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

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

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

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

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 30 June 2017 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

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

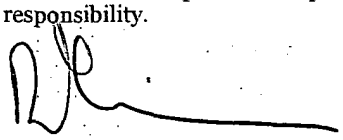
- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified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

We have no exceptions to report arising from this responsibility.

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

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.



Radek Vik (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Uxbridge
28/02/2018

Income statement for the year ended 30 June 2017

	Note	**2017**	2016
		£	£
Finance income	*4*	**307,672**	297,398
Finance costs	*4*	**(307,672)**	(297,398)
Result before taxation		**-**	-
Income tax expense	*5*	**-**	-
Result for the financial year		**-**	-

Notes on pages 10 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 before taxation and the result for the financial year stated above and their historical cost equivalents.

Balance sheet as at 30 June 2017

	Note	As at 30 June 2017 £	As at 30 June 2016 £
Assets			
Non-current assets			
PPP and other investments	6	**3,255,959**	2,772,640
Current assets			
Trade and other receivables	7	**108,587**	237,114
Total assets		**3,364,546**	3,009,754
Liabilities			
Current liabilities			
Trade and other payables	8	**(224,452)**	(273,421)
Net current liabilities		**(115,865)**	(36,307)
Non-current liabilities			
Trade and other payables	9	**(3,140,043)**	(2,736,282)
Net assets		**51**	51
Capital and reserves			
Called up share capital	10	**51**	51
Total shareholders' funds		**51**	51

The notes on pages 10 to 15 form part of these financial statements.

These financial statements on pages 7 to 15 were approved by the board of Directors on 28/02/2018 and were signed on its behalf by:

M Baxter
Director

28/02/2018

Statement of changes in equity for the year ended 30 June 2017

	Called up share capital	Profit and loss account	Total shareholder's funds
	£	£	£
As at 1 July 2015	51	-	51
Result for the financial year	-	-	-
As at 1 July 2016	51	-	51
Result for the financial year	-	-	-
As at 30 June 2017	**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 principal activity of the business is to act as an intermediary holding company.

The financial statements are measured and presented in pounds sterling as that is the currency of the primary economic environment in which the Company operates. The amounts are denominated in pounds.

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

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 as adopted by the EU may be obtained.

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

- The requirements of IAS 7 to present a cash flow statement
- The requirements of paragraph 45(b) and 46 to 52 of IFRS 2, Share Based Payments
- The requirements of IFRS 7, Financial Instrument Disclosures
- The requirements of paragraphs 91 to 99 of IFRS 13, Fair Value Measurement
- The requirements of 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 (d) to 134 (f) of IAS 36, Impairment of Assets
- Certain disclosure requirements under IFRS12, Disclosure of Interest in Other Entities
- The requirements of paragraph 38 of IAS 1, Presentation of Financial Statements

Notes to the financial statements (continued)

1. Accounting policies (continued)

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 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 intermediate parent company, Galliford Try Construction & Investments Holdings Limited. The directors have received confirmation that Galliford Try Construction & Investments Holdings intends to support the company for at least one year after these financial statements are signed.

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.

PPP and other investments

PPP and other investments are a combination of equity and debt. The equity is carried at cost less any accumulated impairment losses applying the exemption of paragraph 17 within IAS 28, Investments in Associates and Joint Ventures. The debt is carried at amortised cost less provisions for impairment.

Trade and other 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.

Trade and other 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 and subsequently held at amortised cost. The discount to nominal value is amortised over the period of the credit term and charged to finance costs using the effective interest rate. Changes in estimates of the final payment due are taken to developments (land) and, in due course, to cost of sales in the income statement.

2. Result 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 (2016: £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

	2017	2016
	£	£
Finance income	**307,672**	297,398
Finance cost	**(307,672)**	(297,398)
	-	-

5. Income tax expense

Analysis of tax charge in year:

	2017	2016
	£	£
UK Corporation Tax		
Current tax on result for the financial year	**-**	-

Factors affecting the tax charge for the current year

The current tax charges for the current and prior year are equal to the standard rate of corporation tax in the UK of 19.75% (2016: 20%).

6. PPP and other investments

	Shares	**Subordinated Loans**	**Total**
	£	**£**	**£**
Cost and net book value			
At 1 July 2015	-	2,697,302	2,697,302
Additions	-	85,598	85,598
Repayments	-	(10,260)	(10,260)
At 30 June and 1 July 2016	-	2,772,640	2,772,640
Additions	1,800	508,196	509,996
Repayments	-	(26,677)	(26,677)
At 30 June 2017	**1,800**	**3,254,159**	**3,255,959**

The above balances are deemed recoverable based on the Directors' valuations which consider relevant future cash flows.

Notes to the financial statements (continued)

6. PPP and other investments (continued)

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

	Shares held				
	Class	**%**	**Nature of Business**	**Registered Office**	**Country of incorporation**
ACP: North Hub Limited	Ordinary	50%	Investment Holding Company	PO Box 17452, 2 Lochside View, Edinburgh, EH12 1LB	Scotland

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

The company also has the following related undertakings:

	Nature of Business	**Ownership**
Hub North Scotland Limited	Public sector project delivery	Indirect
Aberdeen Community Healthcare Village Limited	PFI project company	Indirect
Hub North Scotland (FWT) Limited	PFI project company	Indirect
Hub North Scotland (Alford) Limited	PFI project company	Indirect
Hub North Scotland (Wick) Limited	PFI project company	Indirect
Hub North Scotland (Wick) Holdings Limited	Investment holding company	Indirect
Hub North Scotland (Anderson) Holdings Limited	Investment holding company	Indirect
Hub North Scotland (Anderson) Limited	PFI project company	Indirect
Hub North Scotland (Elgin High School) Holdings Limited	Investment holding company	Indirect
Hub North Scotland (Elgin High School) Limited	PFI project company	Indirect
Hub North Scotland (I&F) Holdings Limited	Investment holding company	Indirect
Hub North Scotland (I&F) Limited	PFI project company	Indirect
Hub North Scotland (New Academy – SOTC) Holdings Limited	Investment holding company	Indirect
Hub North Scotland (New Academy – SOTC) Limited	PFI project company	Indirect
Hub North Scotland (O&C) Holdings Limited	Investment holding company	Indirect
Hub North Scotland (O&C) Limited	PFI project company	Indirect

Notes to the financial statements (continued)

6. PPP and other investments (continued)

The above related undertakings are incorporated in Scotland and registered at 11 Thistle Place, Aberdeen, AB10 1UZ. The indirect shareholding held in each of the above entities is 30%.

7. Trade and other receivables

	As at 30 June 2017 £	As at 30 June 2016 £
Interest receivable on loans to investees	**108,587**	237,114

8. Trade and other payables

	As at 30 June 2017 £	As at 30 June 2016 £
Amounts owed to group undertakings	**115,865**	36,307
Interest payable to parent company	**108,587**	237,114
	224,452	273,421

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, Hub North Scotland (Wick) Limited and Hub North Scotland (Anderson) Limited.

9. Other non-current liabilities

	As at 30 June 2017 £	As at 30 June 2016 £
Amounts owed to group undertakings	**3,140,043**	2,736,282

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, Hub North Scotland (Wick) Limited and Hub North Scotland (Anderson) Limited. The amounts are repayable in full by 31 March 2042.

Notes to the financial statements (continued)

10. Called up share capital

	As at 30 June 2017 £	As at 30 June 2016 £
Allotted, called up and fully paid		
51 (2016: 51) ordinary shares of £1 each	**51**	51

11. Ultimate parent company

The immediate parent undertaking is Galliford Try Investments Limited which is registered in England and Wales. The ultimate parent undertaking and controlling party is Galliford Try Plc, which is registered in England and Wales. The Company's results are consolidated into the financial statements of Galliford Try Construction and Investment Holdings Limited and Galliford Try Plc. Copies of the consolidated group financial statements of both entities are publicly available from Galliford Try Plc, Cowley Business Park, High Street, Cowley, Uxbridge, Middlesex, UB8 2AL.