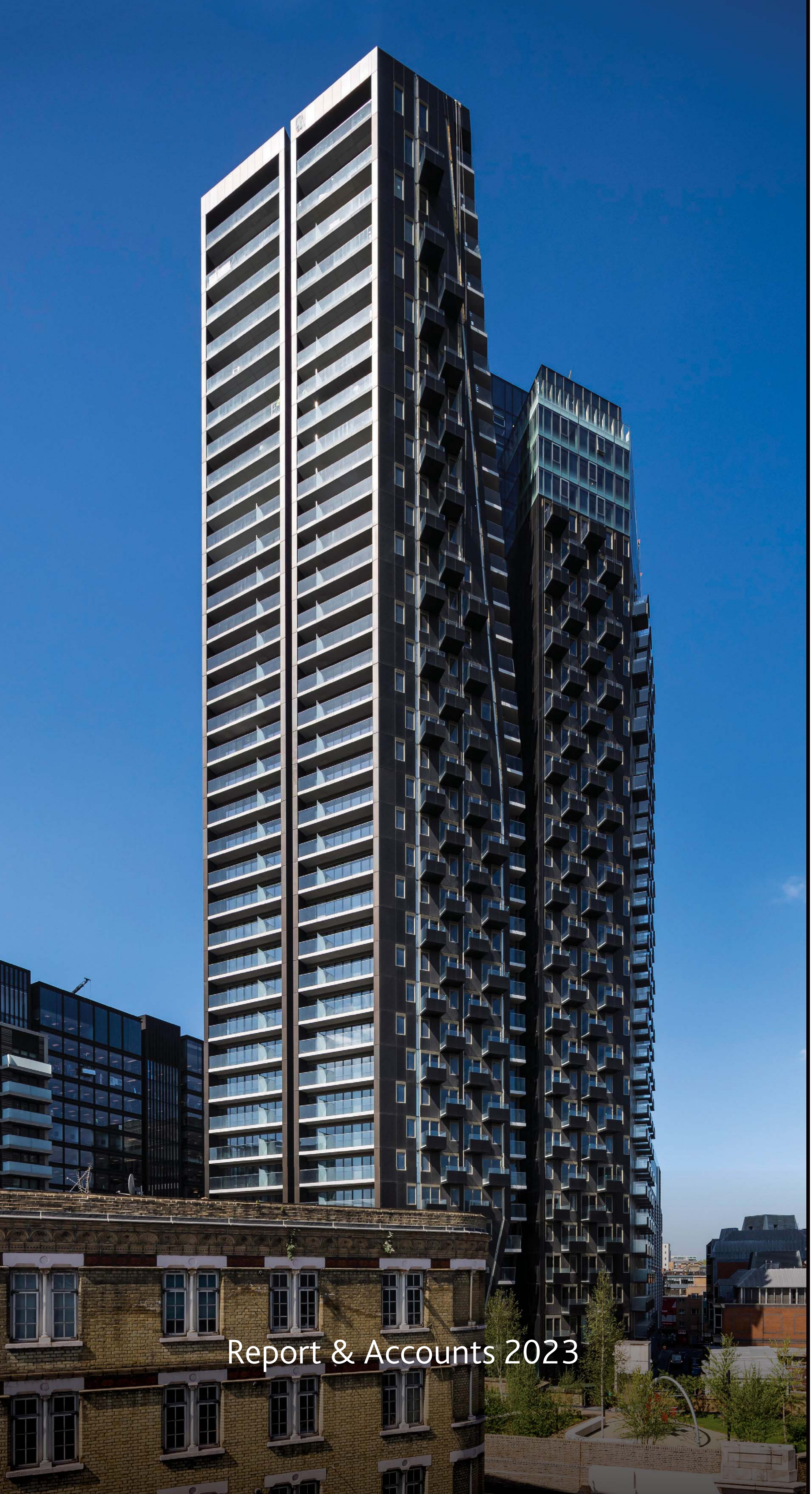
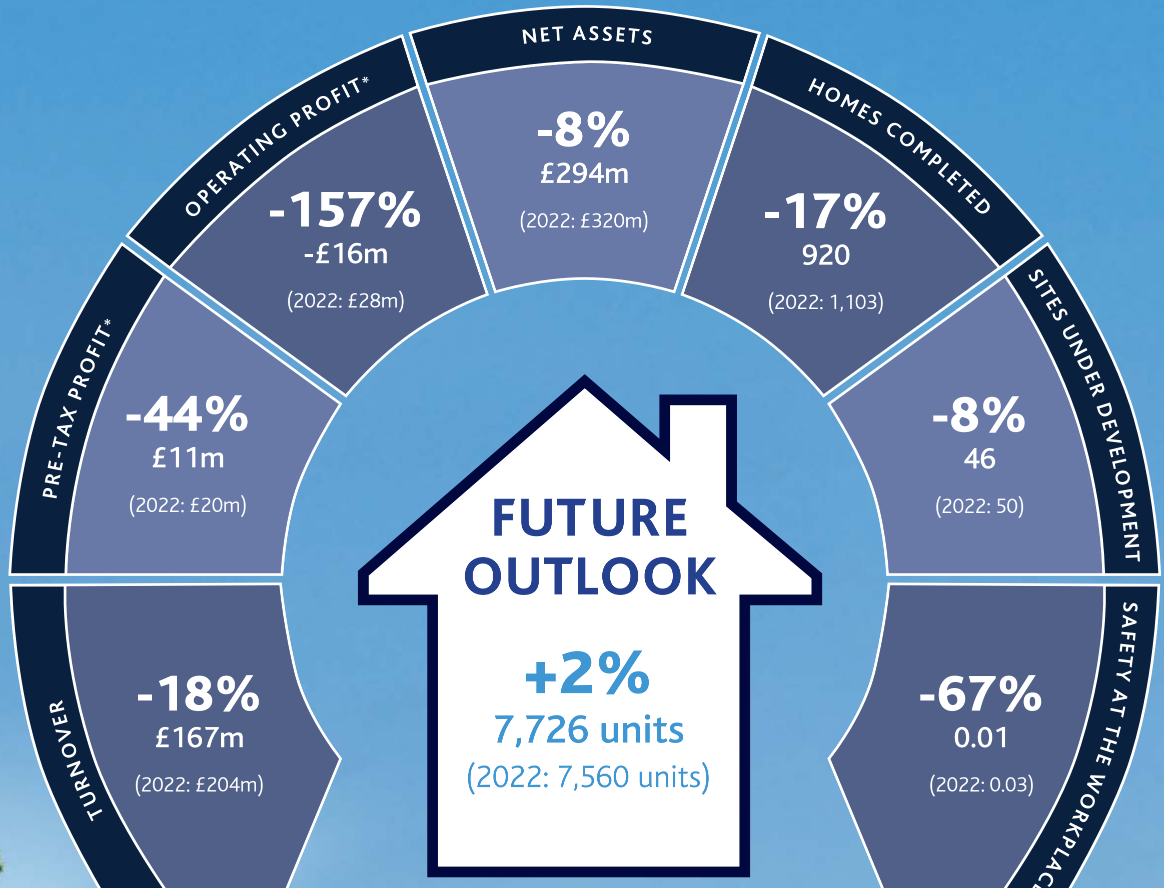


Report & Accounts 2023

Galliard
Group Limited

Contents

2023 Highlights



* Before exceptional cost

Shiplake Meadows • Henley-on-Thames RG9 3DF

Shiplake Meadows is a new integrated retirement village comprising 65 highly specified 2/3 bedroom homes set within 6.5 acres of landscaped grounds and gardens. Central to the development is a Clubhouse offering an extensive range of lifestyle facilities and resident services.

Galliard Homes

WHO

Our customers are a mix of first time buyers, other owner-occupiers, buy-to-let investors and BTR investors from the UK and abroad. We pride ourselves in the number of repeat buyers who have built their own portfolio of Galliard homes.

WHAT

Our core business is residential development, usually of houses and apartment blocks although mixed-use schemes are not uncommon where a commercial element is included.

WHY

Our aim is to deliver the best possible outcome for all stakeholders in the business. The board recognises that its decisions can have far-reaching implications for a great many interested parties.

WHEN

We aim to achieve planning and complete construction as soon as is practically possible. Our business model depends on a fast turnaround of sites so we do not sit on land banks.

WHERE

We are leaders in urban regeneration and look to build in undervalued locations that will give purchasers maximum upside potential on their investment.

DEVELOPING DISTINCTION

Chairman's statement

I am pleased to present another year of strong underlying performance against a backdrop of an undoubtably deteriorated economic situation in the UK. We have achieved pre-tax (pre-exceptional) profits of £11.0m, which remains in line with expected forecast albeit a 44% reduction on the prior year results of £19.8m. We have completed on the sale of 728 residential units (896 in FY22) and have a further 1,875 units progressing towards planning.

Building Safety:

Of most significance in the year was the group's decision to sign the government's voluntary Building Safety Pledge and the overriding Developer Remediation Contract committing us to remediate life-critical fire safety issues on all buildings above 11 metres developed by the group in the last 30 years.

Galliard has always supported the principle that leaseholders should not have to pay for remediation in their buildings and we are committed to ensuring that leaseholders are not held responsible for the necessary remediation of their homes. We have been working closely with building control bodies, freeholders, managing agents and leaseholders to identify solutions and support those affected by any issues relating to building safety.

We have already completed a comprehensive scheme of recladding across 11 buildings comprising 1,100 homes in Greenwich at no cost to the leaseholders.

We have moved quickly to introduce a dedicated internal building safety team that works directly with building owners and management companies as they conduct reviews of their buildings. Our goal, is to work together to find suitable solutions to support those living in the buildings we constructed. You will see from our results that a provision of £30.7m has been included in this year's financials to support the remediation works over the coming years. The provision reflects the current best estimate of the extent and future costs of works required.

Alongside the remediation provision we are now also subject to the Residential Property Developer Tax which came into effect on 1 April 2022, to fund remediation of residential buildings above 18 metres and applies to a majority of group profits above a £25m annual allowance at the rate of 4%. This is in addition to the rate of corporation tax increasing from 1 April 2023 to 25%.

Shiplake Meadows • Henley-on-Thames

Economic impact:

This year has been a more "back to normal" year trading wise, and we have hopefully seen the end to restrictions in place during the Covid 19 pandemic and the operational disruption encountered.

This has however been replaced somewhat by the impact on our economy of the war in Ukraine, which still continues, and the fallout of this on the decisions of the Bank of England to increase interest rates to combat rising inflation. The cost-of-living crisis has impacted everyone, including our own employees and customers as well as our supply chain.

Rising inflation has had an immediate and negative impact on the cost and availability of mortgage products which are required by a large percentage of the purchasers who buy their homes through Galliard.

Our historic business model has always been the forward sale of our homes, often off plan and 2 or 3 years in advance of an expected completion date. What was once considered the norm has now dramatically changed, with buyers' individual circumstances impacted by not only the pandemic fallout but also a shift in the mortgage market impacting the lending cost and eligibility criteria.

Buyers have understandably become more risk averse, with many of our buyers now wishing to see the finished product before committing to buy. The forecast of house prices dropping has also led to customers wanting to delay until prices come down.

The fact that there still remains a shortage of available housing stock to meet the government's lofty targets together with an overriding demand continues to underpin our operational forecasts. Always in evidence within Galliard is the leadership experience required to continue to lead us through the current economic uncertainty and to continue to do what we do best and what we have been doing for the last 30 years.

Our People:

I pride myself on the family culture at our company and recognise the impact our dedicated employees have on the success of our business both in terms of build quality and customer service.

We are conscious of the impact the cost-of-living crisis has had on our employees, and we have considered ways to support them throughout the year. In Both August 2022 and December 2022 the Group made additional cost-of-living payments to its employees to support them, and the board will continue to consider additional measures as and when deemed appropriate.

Strategy for stability and future growth:

Galliard has always prided itself on its entrepreneurial and nimble approach which puts us in a very strong position to take advantage of opportunities as they arise. We have always looked to hold a diverse portfolio of properties to manage risk, not only buying land to build residential schemes but also buying commercial properties to provide income streams to support the business in tougher times.

The UK's planning system still remains challenging, but we have solid experience in navigating the approval process as swiftly as possible whilst ensuring compliance with new environmental, sustainability and building safety targets regularly introduced.

Where the residential apartment buying market has cooled, we have turned our hand to investing in the new emerging market of PRS/BTR and have continued to link up with new JV partners with more experience in this field to lead us into a new emerging side of our business. Our development at Grafton Way in Ipswich, forward funded by Aviva, is now well underway with other potential products with new partners in the development pipeline.

Alongside this our foray into house building continues apace with completions commencing at both our sites in Birmingham and Ipswich within our newly formed partnership with Wavensmere.

This year we are also progressing construction on schemes including a senior living development in Henley, (a new string to our bow) as well as looking to potentially expand into the holiday lodges and hotel market in Yorkshire. We continue to make our presence felt in evolving markets such as Birmingham and Bristol with London still continuing to be a market of opportunities particularly in arrears requiring regeneration. Most notably our Tottenham Court Road offering is virtually complete. Built above the new Crossrail station ticket hall is a 92-unit scheme in the sky in the heart of London's Soho an area historically largely commercial in nature but which is seeing a shift to regeneration to residential with the impact the economic downturn has had on traditional high street shops and department stores resulting in a higher than average closure of stores with little appetite to replace them with alternative commercial offerings.

Outlook:

The outlook for the housing market is probably as uncertain as it has been in the past decade. There are many factors which regrettably are beyond our control. We can only continue to do what we have been doing for the last 30 years of the Galliard brand, that is to roll with the good times and mitigate the consequences of the bad. Our ultimate focus is to continue to remain active in all available markets. We have an experienced and tight leadership team who have all experienced operating in sometimes tough market conditions.

We move forward into the new financial year with focus on building remediation and the continuing development and provision of housing stock to meet the growing need.

I would finally like to thank our employees, sub-contractor and supply chain partners for all their hard work and commitment.

Stephen Conway
Chairman
October 2023

Strategic report

The directors present their strategic report for the year ended 31 March 2023.

Review of the business

Galliard's business model is based around five principal activities: delivering value throughout the property development chain; creating sustainable returns and long term value throughout the property development chain; creating sustainable returns and long-term value to stakeholders; and making a difference in the communities in which they operate. Galliard utilise their experience and specialist skills to deliver desirable, sustainable homes and communities.

The Galliard business has been steadfast in what continues to be a challenging environment for the property development sector. The group's strategy is to remain nimble and entrepreneurial in order to take advantage of opportunities as they arise. The directors have made careful and considered decisions with regard to acquisitions nationwide of varying use classes and plans for the future. The group's results for the year ended 31 March 2023 reflect continued presence in Birmingham and Bristol with some larger long-term projects in Hackney, Nine Elms and the West End coming to fruition.

As in previous years, the results presented in this review also make reference to the "Look through results" on pages 62 to 64. The directors use the look-through results, along with the results on an FRS 102 basis ("Equity accounting basis"), to assess the operational performance of the group and because of the complex joint venture structures used by the group. A reconciliation of the results on a look-through from the equity accounting basis is also provided on pages 62 to 64. The look-through results may not be directly comparable with similarly titled measures reported by other companies and they are not intended to be a substitute for, or superior to, FRS 102 measures.

Turnover, at £167.1 million in 2023 was 18.0% lower than 2022 (£203.8 million). Turnover on a look-through basis at £189.0 million in 2023 was 31.0% lower than 2022 (£274.3 million). There are a number of reasons for this reduction. Firstly, construction activity was lower in 2023 compared to the prior year. Secondly, of the construction revenue earned in the year, a lower proportion was generated from outside the group. Thirdly, there were fewer unit completions in 2023 compared to the prior year.

Finally, whilst those sale completions were in locations that attracted higher values, the group had a lower percentage share in the joint ventures with completions in the current year. The following table gives a breakdown of sales completions in the year:

GALLIARD GROUP - PRIVATE RESIDENTIAL COMPLETIONS

Development	Location	Units	Sales £'000	Sq ft '000	£per sq ft
Baltimore Wharf	Tower Hamlets E14	4	3,300	3.6	919
Hope House	Bath BA1	2	1,620	2.4	688
St Edwards Court	Romford RM7	1	228	0.4	631
Rosebery House	Chelmsford CM2	1	218	0.4	623
Tower Bridge Rd	Southwark SE1	13	9,739	8.9	1,100
Westgate House	Ealing W5	13	4,457	5.8	771
Southall Honda	Southall UB2	2	731	1.4	526
Wimbledon Dogs	Wimbledon SW17	262	133,277	213.2	625
Papermill House	Romford RM1	3	883	2.3	377
Brooks Laundry	Bristol BS2	39	19,991	45.4	441
Orchard Wharf	Poplar E14	228	116,488	147.0	793
Timber Yard	Birmingham B5	117	32,441	76.2	426
Newacre	East Grinstead RH19	25	5,383	10.7	501
Jessica House	Wandsworth SW18	4	2,190	2.6	840
Tottenham Court Rd	West Soho W1D	14	26,544	12.3	2,151
Total Private Completions	**2023**	**728**	**357,490**	**532.6**	**671**
Total private completions	**2022**	**896**	**347,219**	**589.0**	**590**

GALLIARD GROUP - TOTAL RESIDENTIAL COMPLETIONS

	Private	Housing Association	Total
2023	**728**	**192**	**920**
2022	**896**	**207**	**1,103**

Operating losses before exceptional charges were £16.1 million in 2023 compared to operating profits of £28.3 million in 2022. Overall performance reflects the mix of developments both in terms of location and the group's share of the joint venture operating the scheme. Hence, for example, in 2022 the largest number of unit sales was from the Timber Yard development in Birmingham with an average sales value at less than £450 per square foot and the group's share was 37.5%. In 2023, however, the largest number of unit sales was from the Wimbledon Dogs development with an average sales value of more than £600 per square foot although the group's share was 25%. Fluctuations in profit, year-on-year, have always been a feature of the group's performance simply because of the varied nature of its activity.

Other KPIs can be found in the 2023 highlights on page 2.

The group's share of the results of joint ventures and associates is a profit of £49.0 million in 2023, principally reflecting the profit on sale of the Honey Monster development in Southall. A distribution of capital from one of the group's investments in joint ventures of £24.4 million followed a capital reduction exercise in the joint venture company in 2023 and is included in the group's share of the results of joint ventures and associates. An impairment charge of £24.4 million was recognised within the group's operating expenses, reflecting the impact of the capital reduction on the carrying value of the investment in the joint venture company in 2023.

Results for the year reflect an increase in the provision for the potential cost of remediation works that Galliard has committed to following the Grenfell Tower inquiry. These remediation works reflect a one-off exercise expected to span over the next 5 -7 years. Whilst the provision will be revised annually, which will impact the group's results over the period of the remediation works, the movement on the provision can be ignored for the purposes of assessing the ongoing development activity of the business.

Net cash

Operating cash flow for the year was an outflow of £74.3 million, after increases in working capital in development activities of £65.8 million. Distributions and capital repayments from fixed asset investments of £71.3 million have contributed to a net increase in the year of £45.9 million.

Provisions

Group provisions increased by £25.8 million in the year. The most significant addition relates to the increase in the building safety provision of £23.8 million, following the signing of the Developer Remediation Contract which committed the group to addressing life-critical fire-saftety issues on all apartment buildings over 11 meters that have been completed in the last 30 years, self-fund any remediation works required and reimburse any funds disbursed by the government's Building Safety Fund.

Operational locations

Planning UK wide

At 31 March 2023 the group had 11 sites in Greater London that have planning applications either in preparation, in progress or on appeal. These cover a variety of schemes that include a mix of residential and commercial elements. The group also has an interest in 13 sites outside of its Greater London nucleus that could potentially yield around 5,000 residential units in addition to considerable commercial, retail, leisure and student accommodation.

1 BEAR LANE
Southwark SE1
ACQUISITION DATE: MARCH 19
Office development and conversion of railway arches to retail/entertainment. Planning was granted on part of the site for 9 flats and 2,000 sq ft of flexible commercial space. Planning was submitted Feb-21, application was approved in Q2 2023 for c. 81,000 sq ft GIA commercial space.

2 EAGLE WHARF ROAD
Hackney N1
ACQUISITION DATE: SEPTEMBER 16
Commercial/warehouse buildings ranging from two to three storeys in height. Intention to obtain mixed use planning consent for 50 residential units and 50,264 sq ft commercial space.

3 KENSAL ROAD
Kensington & Chelsea W10
ACQUISITION DATE: FEBRUARY 15
A parcel of land on Ladbroke Grove together with a neighbouring public house. Planning for a commercial led, mixed use scheme has been granted but an alternative scheme incorporating a strip of council owned land is being discussed with the local authority.

4 LEEGATE SHOPPING CENTRE
Greenwich SE12
ACQUISITION DATE: MARCH 21
Planning application for 562 flats was submitted May-22, validated in Jun-22 and targeting final approval Q3 2023.

5 PRESTAGE PLACE
Poplar E14
ACQUISITION DATE: STP*
Outline planning consent for 469 residential units. In the process to obtain a detailed planning.

6 LIMEHOUSE
Tower Hamlets E14
ACQUISITION DATE: STP*
Permission currently being sought for 115 residential units plus 19,000 sq ft of commercial space.

7 MILE END ROAD
Tower Hamlets E3
ACQUISITION DATE: JANUARY 07
Exploring options for student accommodation led scheme.

8 NEW ROAD
Crouch End N8
ACQUISITION DATE: JANUARY 16
Seeking planning to convert the commercial into residential units.

9 NORLINGTON ROAD
Leyton E10
ACQUISITION DATE: MARCH 18
Planning application to be submitted for 44 apartments.

10 CHINGFORD
Chingford Mount Rd, E4
ACQUISITION DATE: OCTOBER 21
Seeking planning for 42 apartments.

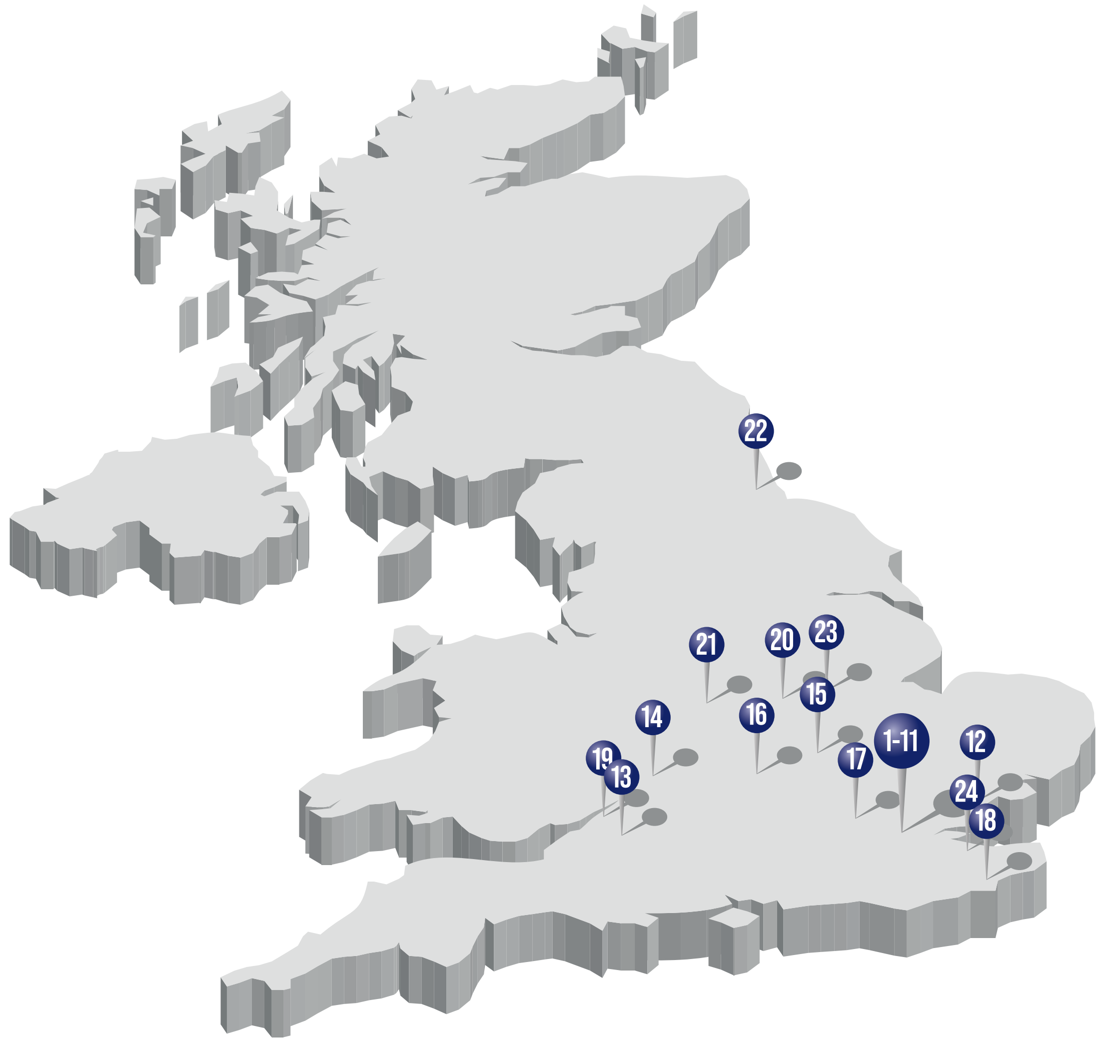
11 REDBRIDGE
Ilford, IG4
ACQUISITION DATE: OCTOBER 21
1.75 acres, vacant hotel and pub. Application ready for submission in Q4 2023 for 143 residential units and commercial.

12 ANDREWS AIRFIELD
Stebbing CM6
ACQUISITION DATE: OCTOBER 05
The group has an option to purchase 314 acres of agricultural land that could yield c3,000 units.

13 BROADWALK SHOPPING CENTRE
Bristol BS4
ACQUISITION DATE: APRIL 21
Existing shopping centre. Planning was approved for upto 850 residential and commercial units in Q3 2023.

14 HUNTING BUTTS
Cheltenham GL50
ACQUISITION DATE: JUNE 01
The group has an option to purchase this site that is currently designated as greenbelt but is actively being promoted as suitable for residential development.

15 NETWORK HOUSE
Apsley, Hemel Hempstead HP3
ACQUISITION DATE: SEPTEMBER 21
Planning is being sought for , 69 apartments, 70 bed care facility and 31,000 sq ft office building. Application was submitted Q1 2023 and planning committee expected Q3 2023.



16 OXFORD GREYHOUND STADIUM
Oxford OX4
ACQUISITION DATE: SEPTEMBER 16
This was part of the former Greyhound Racing Association portfolio and we have recently agreed a 10 year lease with a new operator.

17 WOODHALL LANE
Shenley WD7
ACQUISITION DATE: JANUARY 16
Land adjacent to a site that has been sold is being held pending a council decision to extend the village boundary. Potentially 6-7 houses could be built in the event of a positive decision.

18 TOKE FARM
Ashford, TN23
ACQUISITION DATE: MARCH 22
2.5 acre site with intention to obtain planning for 15 houses, application was submitted in Q2 2023.

19 BARROW RD
Bristol, BS5
ACQUISITION DATE: MARCH 22
3.2 acre site. Strategy to obtain c.340 residential apartment scheme. Submission expected Q4 2023.

20 THE POINT
Milton Keynes, MK9
ACQUISITION DATE: SEPTEMBER 21
Pre application commenced and scheme will be submitted in Q2 2023 for c.480 dwellings in buildings from 5 to 20 storeys and retained car park.

21 SELLY OAK
Birmingham, B29
ACQUISITION DATE: MARCH 23
3.4 acre site with potential for c.820 student rooms and 35,000 sq ft commercial. Target submission for the planning application in Q4 2023.

22 PRINCE BISHOP SHOPPING CENTRE
Durham, DH1
ACQUISITION DATE: AUGUST 22
Existing 190,000 sq ft of retail accommodation and car park facilities. Potential for c.300 student rooms, 100 hotel rooms and retaining 70,000 sq ft of commercial.

23 GRANTHAM
Land at Harlaxton Road, NG31
ACQUISITION DATE: JUNE 22
Strip of land with a potential for electric vehicle charging points and drive-thru. The planning application was approved in Q2 2023.

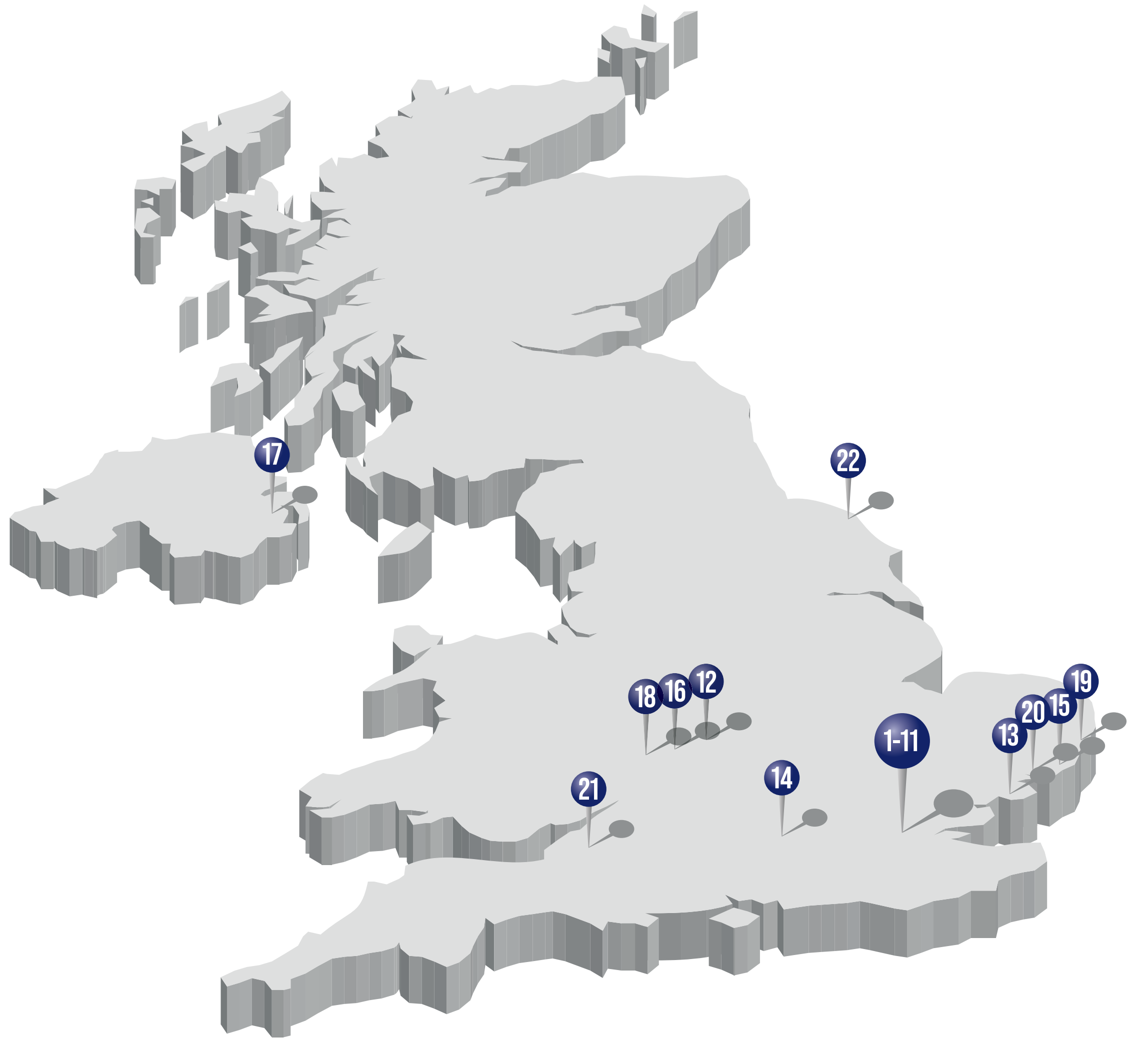
24 ST. JOSEPH'S SCHOOL
Gravesend, DA12
ACQUISITION DATE: JANUARY 23
Site with existing vacant school and former playing fields with a potential for c.50 dwellings.

* Subject to planning

Operational locations

Construction UK wide

Construction work has either started or is due to start shortly on around 3,000 residential units across 11 sites in the Greater London area. A significant proportion of these are social/affordable housing units. Over 3,000 units are currently being constructed outside the group's core Greater London area. These include student accommodation and "Evolve" business units as well as both private and social/affordable residential units.



1 BALTIMORE WHARF
Tower Hamlets E14
ACQUISITION DATE: FEBRUARY 13
Ground floor retail units under construction to change of use to 7 residential units.

2 CATFORD
Catford SE6
ACQUISITION DATE: MARCH 16
Planning granted for 52 residential units. Next steps are currently being reviewed.

3 CREEKSIDE
Lewisham SE8
ACQUISITION DATE: JUNE 17
Freehold site with planning for 393 residential units. S106 agreement being negotiated.

4 HACKNEY WICK
Hackney E9
ACQUISITION DATE: MARCH 14
Construction underway for 475 residential apartments and 92,387 sq ft commercial.

5 YATES
Hounslow TW3
ACQUISITION DATE: JUNE 16
Planning granted for 248 co-living units as well as co-working and retail space.

6 GRINSTEAD ROAD
Deptford SE8
ACQUISITION DATE: DECEMBER 13
Construction underway on 199 units including 23 social housing units. Completion scheduled for Q4 2023.

7 ORCHARD WHARF
Tower Hamlets E14
ACQUISITION DATE: JULY 15
Construction completed Q2 2022 for 338 residential units including 102 affordable units. All residential units complete apart from 4 apartments.

8 STADIA, WIMBLEDON
Merton SW17
ACQUISITION DATE: FEBRUARY 18
Construction complete for 632 units including 181 social housing units.

9 THE STAGE, SHOREDITCH
Hackney EC2
ACQUISITION DATE: MAY 15
Construction underway on 377 private units and 274,953 sq ft commercial. Construction completed in Q3 2023.

10 TOTTENHAM COURT RD WEST
Westminster W1
ACQUISITION DATE: NOVEMBER 20
Construction underway on a 92 unit scheme above the new Tottenham Court Road Crossrail station in Oxford Street.

11 CHISWICK
Chiswick Roundabout, W4
ACQUISITION DATE: JUNE 21
Planning obtained for 173 units and 3,660 sq ft of commercial use. Construction to commence Q2 2023.

12 AE HARRIS
Birmingham B3
ACQUISITION DATE: DECEMBER 19
Construction work commenced on this scheme for 305 residential units plus retail, workspace and leisure facilities.

13 EVOLVE
Colchester CO7
ACQUISITION DATE: AUGUST 18
Phase 1 of 43 "Evolve" business units completed Q3 2022. Phase 2 of 47 units to follow in 2024.

14 LOWER SHIPLAKE
Henley on Thames RG9
ACQUISITION DATE: MARCH 21
Approved planning consent for 65 retirement village cottages/ apartments. Construction underway and completion scheduled for Q4 2023 to Q2 2024.

15 SHOTLEY GATE
Ipswich IP9
ACQUISITION DATE: JUNE 02
Detailed planning application progressing for 373 dwellings. Construction underway on Phase 1 (81 units) with estimated completion in Q3 2024.

16 SOHO LOOP
Birmingham B18
ACQUISITION DATE: JUNE 17
Construction work underway on this scheme for 650 apartments and 102 houses. Completion scheduled for Q3 2023.

17 WOODBROOK
Lisburn BT28
ACQUISITION DATE: MAY 16
Construction work underway on 326 unit scheme.

18 MIDDLEWAY
Birmingham, B12
ACQUISITION DATE: OCTOBER 18
Planning approved and construction commenced for a 438 unit scheme comprising 112 townhouses and 326 apartments.

19 GRAFTON
Ipswich, IP1
ACQUISITION DATE: DECEMBER 21
Planning obtained for 173 units and 3,660 sq ft of commercial use. Construction commenced Q2 2023.

20 ST JOHNS NURSERY
Clacton on Sea, CO16
ACQUISITION DATE: MARCH 07
Planning obtained for 180 houses including 8 live work units of 17,322 sq ft with commercial space approved on Q1 2023.

21 ST CATHERINE'S PLACE
Bedminster, BS3
ACQUISITION DATE: JULY 22
Shopping centre with detailed planning for 141 residential units.

22 RAITHWAITE HALL
Whitby, Yorkshire, YO21
EXCHANGE: MARCH 23
COMPLETE: APRIL 23
85 acre site with existing 73 bed operating hotel on site. The site has planning for 196 holiday units.

* Subject to planning

Principal risks and uncertainties

The board is responsible for ensuring that appropriate risk management systems are in place based upon its assessment of the principal risks and uncertainties faced by the business. These are identified below together with an explanation of their impact on the business and details of how they are being managed:

SECTOR	ISSUE	IMPACT	MITIGATION
Economic Environment	Unemployment, interest rates, exchange rates, inflation and local, microeconomic fluctuations all have an impact on the demand and pricing of new homes as does consumer confidence which is also affected by the same factors.	Revenues, margins and profits are all sensitive to changes in economic conditions as are asset values but the effect is dampened by the continuing housing shortage in the UK.	Comprehensive due diligence prior to each site purchase coupled with continual monitoring of lead indicators to ensure that initial investment decisions are made on the basis of complete and up-to-date knowledge. Critical review of product ranges and marketing strategies to adapt to market changes.
Government Regulations	Changes in government policy with regard to taxation, the environment and housing are all likely to have an effect on the housing market. In particular modifications to planning regulations can have significant repercussions on the availability of suitable sites.	Revenue, margins and asset values could all suffer adverse effects as could labour supply. Planning changes could also have a fundamental impact on business strategy.	Government policy is closely monitored and appropriate adjustments to business strategy and procedures made as a direct response. Training, particularly in technical and planning disciplines, is constantly reviewed to ensure all relevant staff keep abreast of current developments.
Procurement	The availability of skilled subcontractors and quality materials is critical to the timely and cost effective delivery of our completed product. As the level of business activity increases so does this need for an effective procurement capability.	A shortage of either labour or materials would have an adverse effect on both costs and build programmes causing delays in delivery, cost overruns and consequential negative impacts on profits, cash flow and reputation.	Great importance is placed on our subcontractor relationships. Comfortable working conditions, an excellent health and safety record, prompt payment terms and our team ethic all help to attract and retain our chosen tradesmen. We also maintain excellent relationships with our materials suppliers and are constantly sourcing new suppliers worldwide in order to reinforce our supply chain.
Information Technology	Our dependence on a robust IT infrastructure will come as no surprise. In common with most businesses our main systems of communication, reporting, management and control all rely on a secure and reliable data handling environment.	Failure of our IT platform whether as a result of hardware or software malfunction could result in significant damage to both the financial and operational aspects of the business. Also, failure to comply with the new GDPR regulations could result in severe financial penalties.	As far as is possible our networks are protected from outside threats such as cyber-attacks and internal procedures are designed to safeguard the integrity of data held on our systems. Extensive use is also made of off-site data storage facilities. In addition all staff have undergone detailed GDPR training to minimise the risk of compromising any personal data that we hold. Our disaster recovery plan is robust and reviewed at regular intervals to ensure it is fit for purpose and reflects current requirements.
Retention of Quality Staff	The successful delivery of our business objectives requires a sufficient pool of staff with knowledge, skill, expertise and ability.	High staff turnover and the inability to either attract or retain staff of sufficient calibre would have a severely disruptive impact on the running of the business and therefore on profits, cash flow and reputation.	Talent recruitment and training programmes are constantly monitored and reviewed as are our remuneration packages and staff welfare initiatives to ensure that they reflect the best industry practices.
Health & Safety	Construction sites are inherently hazardous and will always pose the threat of accident or injury to workers and visitors unless properly managed.	It is our responsibility to maintain a safe environment on sites under our control. Failure to do so can lead to serious injury or even death which could have serious implications for our reputation and may lead to litigation that could have significant cost ramifications.	We consider health and safety to be one of our most important responsibilities. We maintain rigorous systems and controls at all our sites and invest considerable resources in our training programmes to ensure that everyone on site is aware of any potential dangers and knows how to minimise any risk.
Liquidity	Continued support from external funders such as banks and other financial institutions is vital if we are to achieve our business objectives.	Withdrawal of facilities would restrict our ability to operate effectively and, in extreme circumstances, could lead to the cessation of trading.	As far as possible all facilities are project specific and ring-fenced to prevent cross-contamination. Banking covenants are closely monitored to minimise the risk of breach. The availability of alternative sources of finance is continually assessed and relationships maintained with a broad range of debt and equity providers.

Our stakeholders

The directors have always paid due regard to the effect of their actions on the various stakeholders who have an interest in the business. Section 172 of the Companies Act now requires us to report each year on the steps taken to fulfil these obligations towards our stakeholders.

There are a great many parties who may be affected by the decisions made in the day-to-day running of the business and, as such, can be considered stakeholders. It is the responsibility of the board of directors to balance these interests in order to deliver the best possible outcome for all concerned.

Shareholders

As we are a private group of companies, all shareholders are involved in the day-to-day running of the business either as directors or as senior management. With regular board and management meetings they are always kept fully informed about all matters relating to the business and their input is part of the decision-making process. Additional management meetings during the COVID crisis were necessary to monitor, plan and react to the fast-changing situation.

Supply chain

We recognise our subcontractors and material suppliers as an integral part of our business. We treat our subcontractors in the same way as our employees in terms of working conditions and inclusivity. All subcontractors must attend site induction programmes and are treated as team members whilst on site. Communication of health and safety measures, particularly at the height of the COVID pandemic has been of the utmost importance. We have a very active buying department that keeps in close contact with our material suppliers because it is of mutual benefit for all parties to be well informed of price movements and supply conditions.

Local communities

It is important to appreciate and respect the views of the communities in which we work. Each has its own issues that have local significance and should not be ignored. All of our sites are part of the "Considerate Constructors" scheme in recognition of the impact a construction site has on its immediate locality. Specific site personnel are responsible for interaction with the local public and wherever possible we engage with and support local charities and causes. As an example we gave the local NHS trust free use of warehouse facilities at one of our sites in Essex during the pandemic.

Employees

Employees are the life blood of the business. Keeping them informed of the progress of the group and ensuring their safety and wellbeing is of paramount importance. We have recently inaugurated an actively engaged employee representative group and we hold regular staff forums. A quarterly newsletter keeps all staff informed of the group's activities and we have a comprehensive mental health programme. Effective staff communication especially throughout the recent lockdowns was essential, particularly for those staff working from home.

Customers

Arguably the most important stakeholder of all is the customer. Without customers we have no business. The quality of both our product and our customer service is therefore critical. During the pandemic we took great care to ensure the safety of our customers during site visits and developed a number of "virtual" tours to assist prospective buyers in viewing our sites from their own home.

JV Partners

Each of our JV partners is an equity investor in a specific project or projects. They receive regular updates on the progress of their projects and many have an active involvement in the detailed project management. Their views are important to the success of the development and so are an integral part of the management process. Key, strategic decisions concerning the developments in which they are interested would not be made without their input.

Funders

The financial institutions that fund our debt requirement each have their own ethical frameworks within which they work. We are therefore required to conform to their standards of management where borrowings are outstanding. All funders receive regular, quarterly management accounts for the group as well as ad hoc financial reports relating to the specific SPV to which they are lending. Funders are also encouraged to visit the development sites they are financing and there is a regular dialogue. During the year our funders supported us with an additional £69m of lending.

Barrelmans Point • Shotley Peninsula

Sustainability

Galliard Homes remains committed to minimising the negative environmental impacts of our business and becoming more sustainable in our operation. Our goal is to achieve the highest standards of sustainability by minimising waste and our use of natural resources, limiting carbon emissions wherever and whenever we can, and promoting biodiversity and healthy developments.

Over the course of the year, Galliard has continued to take significant steps towards our commitment, and delivering long-term benefits for the business, our stakeholders, and the environment.

We continue to promote awareness of sustainability throughout our business operations, including to our stakeholders and supply chain. We continue to meet internal targets and obligations, as well as those now increasingly being required by funders, partners, buyers and stakeholders. Often, we go beyond our legal obligations to ensure the right environmental outcomes are realised in our developments.

Environmental Management

We continue to operate an ISO14001 accredited environmental management system, which has allowed us to benchmark environmental performance (in terms of energy use, transport, procurement and use of materials, and waste and recycling), and find ways to continuously improve using objective, data driven decision-making towards objective targets.

Ten clear objectives have been established:

1. Reduce carbon emissions across all operations.
2. Reduce energy consumption and water usage across all operations.
3. Encourage contractors and suppliers to reduce environmental impacts through sustainable procurement.
4. Increase biodiversity across all new developments.
5. Encourage sustainable transport use by staff and residents of new developments.
6. Remediate contamination of all construction sites to best possible standards.
7. Develop a zero carbon model for homes.
8. Minimise environmental impacts of materials across lifecycle through sustainable procurement.
9. Minimise and where possible eliminate waste going to landfill.
10. Communicate objectives to all employees and provide training to help employees achieve these goals.

Actions have been planned to achieve these objectives, indicators have been established and data is collected and audited in order to objectively evaluate performance against them. Galliard has continued to encourage sustainable transport use by employees and our residents, remediating contamination to the best possible standards, and ensuring employees are cognisant of our environmental management objectives and able to contribute towards them. The following sections set out some of the specific ways in which we have sought to achieve our objectives.

Reducing Carbon Emissions & Energy Consumption

Galliard is partnering with Optimised, a specialist in energy and sustainability with a track record of supporting the built environment to strive for Net Zero. Through this partnership we are setting up a utility bureau to increase visibility of our group's scope 1, 2 and 3 emissions as the basis for setting reduction targets. As part of our imminent work to comply with the Energy Savings Opportunity Scheme (ESOS) we will conduct energy audits on a range of sites with a view to identifying energy waste and investing in efficiency opportunities across the portfolio. We are also assessing options to procure renewable energy in a more ambitious manner.

The majority of our new developments are being planned and built with reduced energy demands, through the use of air source heat pumps, LED lighting and improved water management systems. In many cases, our developments go beyond the legislative and policy requirements for emission and energy use, and we are seeing more of our partners requiring more stringent requirements, being increasingly driven by ESG and ethical investment principles.

A couple of specific, ongoing projects in this area of work are outlined below:

Solar PV

We are in the process of carrying out a group-wide audit on the performance of solar panels across our portfolio, and gathering information on capital expenditure, energy generation and energy usage. This will help us determine the carbon emission reductions and energy cost savings realised by the use of solar PV across our portfolio, where existing arrays could be optimised, and where assets with PV potential could be retrofitted. The energy derived from solar PV provides a direct benefit to our residents through reduced energy costs.

Head Office Refurbishment

Our head office has been undergoing redevelopment, with significant changes being made to make the asset more sustainable in terms of energy efficiency and cost effectiveness. This includes:

- The replacement of the 25-year-old boilers with two modulating boilers will provide a significant reduction in energy use whilst increasing combustion efficiency to 96% and could save the group up to a third on our energy bills.
- The use of sustainable materials, including recycled timber, and those with naturally thermal properties which provide much improved insulation, again, reducing energy use.
- Implementation of a voltage optimization system, providing energy savings of up to 20% through better regulation of the power supply from the National Grid and lowering electricity consumption.
- The replacement of fluorescent luminaires with LED lighting operating via PIRs (motion sensors, which will provide a saving of 34,082.88 kwh per annum (compared to the current usage of 43,779.84 kwh per annum), or £19,427.24 per annum.
- The installation of window glazing, which will increase insulation by up to 40%, and decreasing the need for artificial heating, thus reducing energy consumption.

Sustainable Procurement

Galliard is introducing Responsible Business Guidelines to encourage sustainable procurement. Where appropriate and applicable, our supply chain will be expected to assist us in achieving our aspirations with regard to providing social value, reducing environmental impacts and ultimately, creating more sustainable developments. Suppliers and sub-contractors will be asked to demonstrate how they will achieve these requirements, including relevant ISO14001 objectives, in the procurement process, and will be expected to provide sufficient resource to do so.

Biodiversity

In line with new legislation, all new developments are being designed to provide at least a 10% biodiversity net gain on site. However, designs are not being limited to 10%, and in some cases have exceeded that. For example, current plans for Barrow Road, Bristol include an 87% biodiversity net gain. This is being achieved by refocusing on providing landscaping, and landscape management plans, to seeking to provide biodiverse habitats, and managing these.

Research and Development

Galliard has partnered with an architectural practice and a multi-disciplinary consultancy to try to develop a blueprint for a zero carbon tower block. The ambition is to create the model for a commercially viable, tall, apartment building which can then be used across our schemes. We have also contributed to the UK Green Building Council and Future Homes Hub research and development programmes. Employees keep up to date with industry best practice, as well as innovations across the engineering and sustainability sectors to ensure we are continuing to learn and implement sustainable solutions where possible and practical.

Waste & Recycling

Galliard has introduced a number of initiatives to actively manage and reduce waste arising from our operations. Our ultimate aim is to stop any waste created through our operations from going to landfill and since January 2014, we have consistently achieved a recycle rate of 98%. In order to achieve this we segregate all waste into offcuts of plasterboard, metal, concrete, cardboard, plastics, wood and green waste, which are then taken to recycling facilities. We will continue to seek to improve through reducing the use of materials, well-planned procurement of materials, and increasing our recycling rates.

Challenges

The construction sector as a whole is grappling with the difficulties of implementing sustainability, such as reaching net zero as a standard. However, Galliard continuously seeks to improve its environmental performance, and in particular the partnership with Optimised will provide us with the data we require to monitor, review and improve our carbon footprint.

Without tackling these challenges, we are conscious that we face risks, including exposure to climate change, legal exposure, and reputational impact. Through our operation of our environmental management system, we can ensure that we mitigate these risks, and continue to improve our environmental performance. Our management team continues to ensure that the group is properly resourced in order to do so.

People at the heart

We're exceptionally proud of the talented people at Galliard – they are the heart of our business. It is because of them that we can deliver great products, services and business outcomes to our clients and stakeholders.

Our success continues to rely on collaboration between departments, our culture and talent. Being together, in person, helps us mentor and develop the many people starting and developing their careers with us, build and maintain our culture, do our best work for clients, and find the right balance between our personal and working lives. We have reviewed our Agile Working policy and adopted other working practices to support this as well.

Careers & Development

Our recruitment initiatives help us to attract, engage and develop the best in the industry. In the last year we recruited over 60 new joiners. We also held a recruitment open day at our Maine Tower development in E14, where we welcomed many aspiring professionals wanting to be part of the Galliard family.

We provide a blended programme of learning and development for our people in several subject areas. Our Learning Academy provides hundreds of different digital learning programmes, some in many different languages, supporting the diversity of those who work with us.

This year, we promoted 20 of our people and provided over 3,000 hours of training. As the skills our people need to support our clients continue to change, the learning we offer continues to reflect that. We have delivered a range of resources and programmes designed to support our people in being the inclusive, quality-driven, and knowledgeable people our clients expect. This included but was not limited to Health & Safety training, new manager training, mental health first aid training etc.

Supporting our People

The past few years have not been the easiest. There have been a series of external factors that have not just affected our industry, but the day-to-day lives of our people. As a result, we turned our focus to supporting them in navigating these uncertain times. A companywide cost of living payment of £2,000 was paid to all eligible employees. We also held a series of webinars and workshops with partner organisation on how to help our people make most of the benefits and resources available to them. We ran a session to help educate our people on how to make optimal use of our discount platform. For those affected by the cost-of-living crisis, webinars providing financial advice and guidance were held. Mental health toolbox talks are also continually being held on site.

As a business who cares about the wellbeing and mental health of our people, we have continued to train mental health first aiders across the business, signposting support to those in need.

Diversity & Inclusion

As a leading property developer, we strongly believe in diversity and inclusion. We understand that having a diverse and inclusive workforce is not only the right thing to do, but it also helps us to better serve our customers and clients.

We recognise that having a diverse workforce leads to a more innovative and creative business, and so actively recruit and promote individuals from diverse backgrounds. By doing so, we are creating a business culture that values and respects everyone's differences and provides equal opportunities for all employees to grow and succeed.

Furthermore, we have implemented policies and practices that support diversity and inclusion. Our agile working policy gives employees the option to request working arrangements in a way that suits their personal circumstances. Our recent participation in the Moving on Up program with Women into Construction is another way in which we are continuing our endeavors by promoting diversity while working on bridging the gender pay gap, retaining, and progressing women within our business.

We encourage our employees to take part in employee resource groups that celebrate diversity and promote inclusion. These groups provide a platform for employees to share their experiences, learn from each other, and work together to promote a more diverse and inclusive workplace. Various training programs that help employees to understand the importance of diversity and inclusion are provided. This includes training modules that focus on cultural awareness, unconscious bias, and respectful communication.

Our schemes

Evolve

Our Evolve Apprenticeship scheme is in its 6th year running and provides a fantastic opportunity for individuals looking to start their career in the construction industry. The scheme provides apprenticeships in a variety of roles, including Construction, Site Management, Quantity Surveying and more.

In the last year we welcomed 6 new apprentices to the business who are all currently receiving on-the-job training and support from experienced professionals, as well as classroom-based learning which is helping them develop the skills and knowledge they need to succeed. They have also had the opportunity to work on some exciting projects and gained valuable experience in a fast-paced, dynamic environment. Currently Galliard are supporting 19 apprentices through their degree education.

Elevate

Our Elevate Graduate Programme provides an exciting opportunity for recent graduates who are passionate about the property industry.

In 2022, 5 graduates were given the chance to learn from experienced professionals from our construction, planning, architects, and design departments. So far, they have been gaining hands-on experience working on real projects and will be given the opportunity to contribute to the group's growth and success. They have also received training and support to help them develop their skills and progress their career.

The programme lasts for 12 months and is designed to give graduates a comprehensive understanding of the property industry. All our graduates have been assigned a mentor who provides guidance and support throughout the scheme.

Engage

Every summer we open our doors to students between the ages of 15 – 18 across London and the surrounding areas who apply to our Engage Work Experience programme. Last year we welcomed 24 students across multiple areas of the business including finance, human resources, IT, and construction.

Each student was given the unique opportunity to gain practical knowledge and experience in the business area of choice. They shadowed and worked alongside experienced professionals for a maximum of 2 weeks where they were given mentorship and practical insight into their roles within the business.

ELEVATE
Galliard Homes Graduate Scheme

Evolve
Galliard Homes Apprenticeship Programme

enGage
GALLIARD HOMES WORK EXPERIENCE PROGRAMME

Making a Positive Impact in Local Communities

Charitable Work

Over the course of the last year, Galliard Homes has been deeply committed to supporting charitable work that has a tangible impact on the local communities in which we operate. Our focus has been on empowering and uplifting those who are most in need, and we have been privileged to have been able to contribute to a range of different causes that are close to our hearts.

One of our key areas of focus has been on supporting community art projects that help to enrich the cultural fabric of the places in which we build. We believe that art has the power to inspire, uplift and connect people, and we are proud to have been able to fund projects that have brought beauty and creativity to local neighbourhoods.

Another area of focus for us has been on supporting mental health initiatives, recognising the importance of mental wellbeing for individuals and communities alike. Through our charitable work, we have supported a range of initiatives aimed at raising awareness of mental health issues and providing access to resources and support for those who need it most.

We are deeply committed to using our resources and expertise to make a positive impact on people's lives and help build stronger, more vibrant communities. We believe that by working together with local partners and organisations, we can create a better future for all.

As a group, we place great emphasis on upholding ethical values and promoting corporate social responsibility. In line with this commitment, Galliard has forged corporate partnerships with notable charitable organisations such as St Mungo's, Haven House Children's Hospice and Norwood.

Over the past year, we have undertaken several initiatives aimed at raising much-needed funds for these charities. Notable among these are the corporate abyssal and volunteer gardening days. Our dedicated team members have also been actively involved in supporting the Haven House Enterprise Project. Through this initiative, we have been working with young students from local secondary schools to help them run charitable endeavours that raise funds for the charity.

We are proud of the impact our charitable efforts have had on these organisations and the communities they serve. By working together, we are making a tangible difference in the lives of those in need, while also contributing to the betterment of society. In addition to our corporate charity partners we have undertaken a series of additional projects with other key charities these include:

Place2Be

Galliard supported Place2be, a children's mental health charity, by sponsoring their thirteenth annual Carol Concert in December 2022. The event raised a record-breaking £85,000 for further mental health support for children and young people and schools across the UK. The concert featured musical performances by Laura Wright and Jamie Cullum, and classic Christmas tales were read by celebrity guests. The highlight of the evening was the Sacred Heart Catholic Primary School Choir's beautiful performances.

The Ruff Sqwad Arts Foundation

Galliard offered financial support to the Ruff Sqwad Arts Foundation (RSAF). These funds enabled the RSAF to provide creative career and life opportunities for young people. RSAF works with the aim of raising aspirations and opportunities for London's less advantaged young people. RSAF delivers youth music sessions and partnership projects, with the aim of integrating high-quality arts, youth work, industry connections, and enterprise to create meaningful cultural engagement opportunities and mainstream resources for young people.

HIV Memorial

In collaboration with Apsley House Capital, Galliard donated towards the Birmingham AIDS & HIV Memorial's campaign to erect a six-meter-high sculpture in Southside, Birmingham. The sculpture, which was unveiled in December 2022, will serve as a reminder of the work that still needs to be done to educate and help end stigma and discrimination.

GREAT ORMOND STREET HOSPITAL CHARITY

HAVEN HOUSE children's hospice

RUFF SQWAD ARTS FOUNDATION

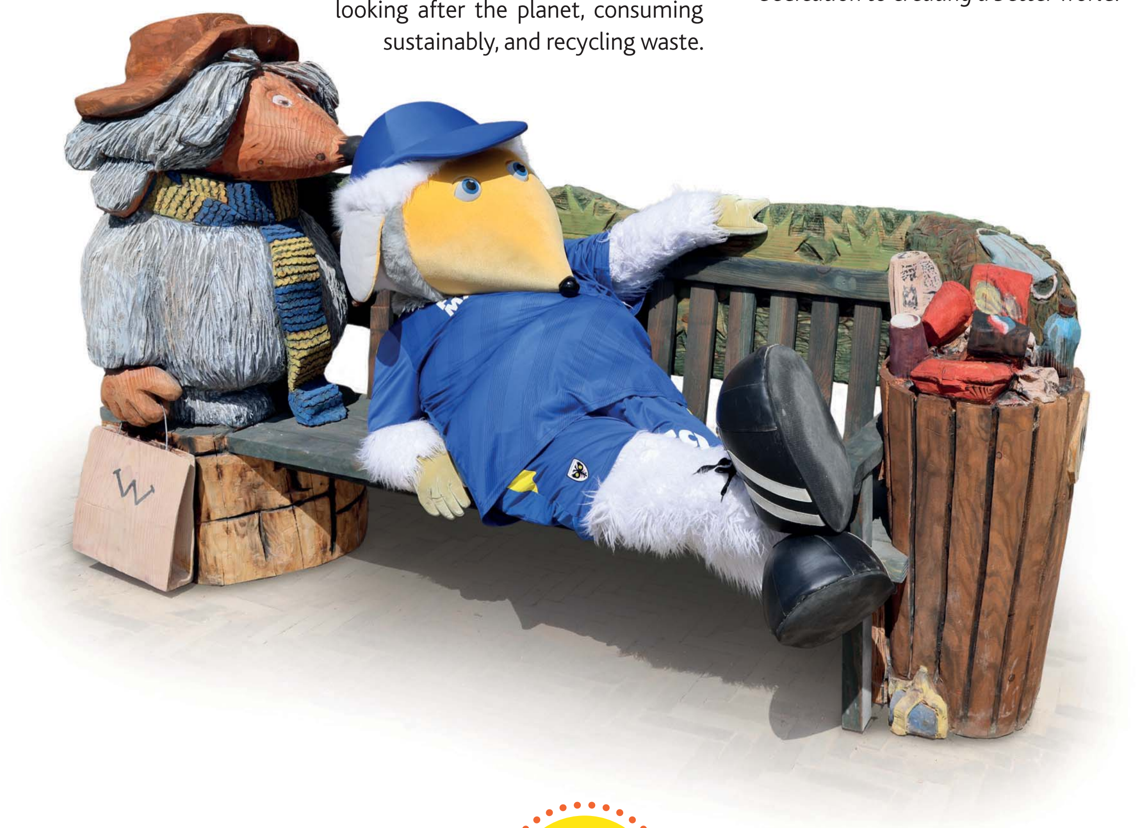
Ladywood Community Project Together we make a community

Haven House Crossfit Challenge

We were proud to support Simon Welch, Director of Land and Affordable Housing at Galliard, in his efforts to raise funds for Haven House Children's Hospice in Woodford Green. Simon and members of CrossFit Blackheath participated in a 24-hour CrossFit challenge to raise money for the charity. Haven House provides high-quality palliative care services to children and their families, and these efforts have helped the charity continue its fantastic care 24 hours a day.

Wombles Bench

One of our most notable charitable projects over the past year was the unveiling of the Orinoco Womble Bench, a sculptured oak bench created by award-winning sculptor Lorraine Botteril. The bench, funded and installed by Galliard in conjunction with local heritage charity Wimbledon in Sporting History (WiSH), celebrates Wimbledon's history and promotes green living among the community. The artwork, which depicts Womble Orinoco and a rubbish bin full of fast food waste and a face mask, serves as a reminder of the importance of looking after the planet, consuming sustainably, and recycling waste.



Brooks Dye Works Community Art Project

Galliard, in collaboration with Acorn Property Group, funded a community art project on the hoardings of the Brooks Dye Works development in St Werburghs, Bristol. The artwork, created by local artist Emma J Holloway, celebrates the history of the former dye works and life in the local community. The project kicked-off with a fun-filled art workshop led by Emma J Holloway with two classes from St Werburghs Primary School. Children were tasked with visualising and communicating their thoughts on the history and vibrancy of the area, through to the new homes, public square, and nature seen at the development. The children then used collaging and colouring to create the final work.

Conclusion

Galliard's charitable work over the past year has demonstrated the group's commitment to making a positive impact on local communities. From promoting green living to supporting mental health initiatives and providing funding for community art projects, Galliard has shown its dedication to creating a better world.

St Mungo's Ending homelessness Rebuilding lives

Place 2Be

NORWOOD Taking on life together

Women into construction

2023 POSITIVE ABOUT Women into Construction

We are passionate about highlighting the opportunities the construction sector has to offer to females of all ages and backgrounds and are committed to changing the outdated perception that our sector has by promoting the different skills and knowledge required to build an exciting and challenging career within homebuilding. Working with Women into Construction representatives we continue to support programmes and initiatives to improve the awareness of and accessibility to our industry.

Investing in our environment

Greenhouse gas and emissions reporting

The information below is provided in response to the government's policy on Streamlined Energy and Carbon Reporting. The Galliard group falls within the scope of the legislation but, as an unquoted company, has taken advantage of the reduced reporting framework.

Galliard is a complex group combining a wide range of corporate entities in a variety of different ways according to their ownership structure and degree of control. Only those entities that are accounted for on an equity basis and that fall within the scope of the legislation in their own right have been included in the analysis below.

Reasonable estimates have been used where it has not been practicable to obtain more accurate data.

Emissions produced through the group's operations have continued to decrease year-on-year. There has been some downturn in operations, with construction and materials costs rapidly increasing, chiefly due to the global financial situation over the past year. However, there has also been a decrease in emissions as a ratio of turnover, meaning that the group is finding more sustainable ways of working, and ultimately reducing its carbon footprint per pound spent. The initiatives that have helped to reduce emissions from company operations are expanded on in the 'Sustainability' section of the annual report on page 18.

	2023 $KgCO_2e$	2022 $KgCO_2e$
Scope 1 – Direct: Gas	508,250	812,704
Scope 1 – Direct: Diesel	544,714	547,361
Scope 1 – Direct: Other fuels	44,645	52,772
SCOPE 1 – DIRECT: TOTAL	**1,097,609**	**1,412,837**
Scope 2 - Indirect: Electricity	462,914	685,072
SCOPE 2 – INDIRECT: TOTAL	**462,914**	**685,072**
TOTAL (Scope 1 and 2) gross emissions	**1,560,524**	**2,097,909**
Turnover (£m)	167	204
Turnover ratio (Gross $KgCO_2e$ per £m)	9,344	10,284
Total energy consumed (kWh)	**6,428,702**	**9,460,249**

Approved by the board and signed on its behalf

Stephen Conway
Chairman
18 October 2023

Board of directors

STEPHEN CONWAY
Executive Chairman

Co-founder of the group in 1992. A banker by training, Stephen moved his focus to property in the 1980s running his own successful company that was eventually acquired by Frogmore Estates plc, for whom he then worked until he teamed up with John Black in the early '90s to form Galliard Homes.

DAVID CONWAY
Executive Director

David has worked at Galliard since it commenced trading. He leads our overseas sales and marketing division and has been organising our regular Far East sales events for the past two decades. Here he has launched over 100 developments to the market and sold well in excess of 5,000 apartments.

GARY CONWAY
Executive Director

Gary has been working within the property sector and beyond for over twenty five years. A graduate in law from Leeds University in the mid-1990s he worked initially in marketing and site acquisition for the group. During this time he also co-founded and ran a very successful and market leading insurance services company. This valuable experience in cost-per-response and direct marketing, coupled with his diverse property experience, made Gary the ideal choice to head up the marketing team for the Galliard group.

RICHARD CONWAY
Executive Director

Richard spent a number of years working in the London estate agency market before joining Galliard in the mid-1990s working in a team taking projects from acquisition all the way through to market. His all-round market and development knowledge has cemented his place as an invaluable member of the acquisitions team and a valued contributor towards many of the other disciplines within Galliard's ambit. Richard's understanding of property investment, trading and the management of real estate portfolios has also been recognised in his appointment as a director of Life At Ltd, the group's residential management agency.

PAUL HUBERMAN
Executive Director

With over 30 years' experience in the property and finance sector. Paul was previously finance director at quoted property companies Grantchester Holdings plc and Asda Property Holdings plc and managed pubs group Regent Inns plc. Paul has extensive experience as a non-executive director in the real estate sector, including Town Centre Securities plc, a leading quoted UK property investment and development company, The Industrial Dwellings Society (1885) Ltd, a housing association, and at a privately-owned property group. Paul was a non-executive director at GRIT Real Estate Income Group Ltd, a UK quoted property investment company operating in carefully selected African countries and JCRA Group Ltd, the independent advisers on interest rate risk management, debt finance and foreign exchange exposure. Paul is also a director of Life At Ltd, the group's residential management agency and a non-executive director at GetBusy plc, a developer of document management and productivity software products.

PAUL WHITE MBE
Non-executive director

A fellow of the Royal Institution of Chartered Surveyors and a member of the Investment Property Forum, Paul brings 51 years of UK real estate experience to Galliard. Paul joined UK real estate fund managers, Frogmore, in 1995 as managing director, and currently serves as executive chairman of the company. Over the past 21 years, Paul has been responsible for setting Frogmore's vision and successfully delivered its sustained performance. He spearheaded the raise of close to £1 billion in equity capital globally across three closed-end funds, and has been involved in the origination, underwriting and financing of over £7 billion in transactions at Frogmore. Paul is a strong supporter of the Willow Foundation, a charity for seriously ill young adults, and in 2016, he was awarded the MBE for his services to charity and, in particular, the Willow Foundation.

LUKE JOHNSON
Independent non-executive director

A leading figure in private equity and the restaurant industry, Luke is the pioneer behind several instantly recognisable high-street brands including PizzaExpress, The Ivy, and Strada. During his time as the chairman of Channel 4 Television (2004 – 2010) the organisation enjoyed record ratings and revenues. Luke is the chairman of Risk Capital Partners, a private equity firm he cofounded in 2001, as well as chairman and part owner of Gail's Bakeries and Neilson Active Holidays. He also serves on the board of Brompton Bicycles and is chairman of the Gaucho restaurant business as well as being the chairman of the Institute of Cancer Research and the Almeida Theatre.

JOSEPHINE (JO) ALLEN
Non-executive director

J.C. Brand, known more familiarly as Jo Allen, is Chief Executive at Frogmore Real Estate Partners. She is a Chartered Surveyor with 32 years of UK real estate experience. Jo started her career with Richard Ellis (now CBRE) in their London office where she worked until joining Frogmore Estates plc, one of her clients at the time, in 1994. Whilst at Richard Ellis, Jo specialised in asset management; landlord and tenant matters; negotiating rent reviews and lease renewals, before moving to the industrial and office leasing teams. Jo is a member of The Royal Institution of Charterered Surveyors. She is a key supporter and sits on the Fundraising Committee of Land-Aid, a charity that harnesses the property industry's expertise to support projects working to end youth homelessness in the UK.

Directors' report

The directors present their annual report and financial statements for the year ended 31 March 2023.

Future developments

A review of future developments is contained in the Chairman's statement on pages 6 and 7.

Dividends

The directors do not recommend payment of a final dividend (2022 - nil).

Donations

Donations to charities during the year amounted to £180,000 (2022 - £308,000). The group made no political donations during the year (2022 - nil).

Employees

It is the policy of the group to provide employment on an equal basis irrespective of gender, sexual orientation, marital or civil partner status, gender reassignment, race, colour, nationality, ethnic or national origin, religion or belief, disability or age. In particular the group gives full consideration to applications for employment from disabled persons. Where existing employees become disabled, it is the group's policy wherever practicable to provide continuing employment and to provide training and career development and promotion to disabled employees.

Details of the group's interaction with its employees can be found in the strategic report on page 8.

Stakeholder engagement

Details of the group's engagement with its other stakeholders can be found on page 16.

Directors' confirmations

So far as each of the directors is aware, there is no relevant audit information (that is, information needed by the group's auditor in connection with preparing its report) of which the group's auditor is not aware.

Each director has taken all reasonable steps that they ought to have taken in accordance with their duty as a director to make themselves aware of any relevant audit information and to ensure that the group's auditor is aware of that information.

Auditor re-engagement

During the year Xeinadin Audit Limited resigned as auditors of the company and Buzzacott LLP were appointed as their successors. In accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Post balance sheet events

Details of the group's post balance sheet events can be found on page 59.

Directors' statement of responsibilities

The directors are responsible for preparing 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 elected to prepare the group and company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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 group and company and of the profit or loss of the group 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 UK Accounting Standards have been followed, subject to any material departures disclosed 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 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.

Approved by the board and signed on its behalf

Stephen Conway
Chairman
18 October 2023

Park Avenue Place • Deptford

Independent auditor's report to the members of Galliard Group Limited

Opinion

In our opinion :

We have audited the financial statements of Galliard Group Limited ("the Parent Company") and its subsidiaries ("the Group") for the year ended 31 March 2023, which comprise the Consolidated income statement, the Consolidated statement of comprehensive income, the Consolidated and company balance sheets, the Consolidated and company statement of changes in equity, the Consolidated statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 March 2023 and of the Group's loss 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the Parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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 in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Group strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Group and the Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group strategic report or the Directors' report.

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

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company 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.

Responsibilities of directors

As explained more fully in the directors' statement of responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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 Group's and the Parent 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 Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor’s 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 Auditor’s 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

How the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the Senior Statutory Auditor ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we made enquiries of management as to where they considered there was susceptibility to fraud, and their knowledge of actual, suspected and alleged fraud;
- we identified the laws and regulations that could reasonably be expected to have a material effect on the financial statements of the Group and Company through discussions with directors and key management at the planning stage;
- the audit team held a discussion to identify any particular areas that were considered to be susceptible to misstatement, including with respect to fraud and non-compliance with laws and regulations;
- we focused our planned audit work on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Group and the Company, including the Companies Act 2006, and taxation, employment, building safety and health and safety legislation.

We assessed the extent of compliance with the laws and regulations identified above through:

- making enquiries of management;
- inspecting legal correspondence for any potential material litigation or claims; and
- considering the internal controls in place that are designed to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- determined the susceptibility of the Group and Company financial statements to management override of controls by evaluating the design and implementation of controls and enquiring of individuals involved in the financial reporting process tested journal entries and the rationale behind significant or unusual transactions;
- performed analytical procedures to identify any unusual or unexpected relationships and tested any material variances from the prior period;
- tested accounting estimates and evaluated whether judgements or decisions made by management indicated bias on the part of the Group and Company’s management; and
- carried out substantive testing over the occurrence and accuracy of revenue.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiry of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and the Group and Company’s legal advisors.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council’s website at: *https://www.frc.org.uk/auditorsresponsibilities*. This description forms part of our auditor’s report.

Use of our report

This report is made solely to the Parent Company’s members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Parent Company’s members those matters we are required to state to them in an auditor’s report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Parent Company and the Parent Company’s members as a body, for our audit work, for this report, or for the opinions we have formed.

Philip Westerman
Senior Statutory Auditor

For and on behalf of

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL
United Kingdom

18 October 2023

Buzzacott LLP is a limited liability partnership registered in England and Wales (with registered number OC329687).

Consolidated income statement

for the year ended 31 March 2023

	Note	Before exceptional charges 2023 £'000	Exceptional charges (note 11) 2023 £'000	After exceptional charges 2023 £'000	Before exceptional charges 2022 £'000	Exceptional charges (note 11) 2022 £'000	After exceptional charges 2022 £'000
Turnover	3	167,120	-	167,120	203,776	-	203,776
Cost of sales		(156,271)	(23,841)	(180,112)	(179,164)	(6,834)	(185,998)
Gross profit		10,849	(23,841)	(12,992)	24,612	(6,834)	17,778
Overheads		(17,110)	-	(17,110)	(21,183)	(8,335)	(29,518)
Other operating income	6	48,243	-	48,243	35,980	-	35,980
Other operating expenses	7	(57,651)	-	(57,651)	(22,313)	-	(22,313)
Profit from the disposal of assets		248	-	248	9,196	-	9,196
Fair value through profit or loss on derivatives		1,444	-	1,444	-	-	-
(Losses)/gains from fair value changes in investment properties	14	(2,072)	-	(2,072)	1,996	-	1,996
Group operating (loss)/profit		(16,049)	(23,841)	(39,890)	28,288	(15,169)	13,119
Share of profit/(loss) in:							
- joint ventures	15	53,536	-	53,536	3,865	-	3,865
- associates	15	(4,584)	-	(4,584)	(2,460)	-	(2,460)
		48,952	-	48,952	1,405	-	1,405
Interest receivable and similar income	9	(73)	-	(73)	3,599	-	3,599
Interest payable and similar charges	10	(21,797)	-	(21,797)	(13,529)	-	(13,529)
Profit on ordinary activities before taxation		11,033	(23,841)	(12,808)	19,763	(15,169)	4,594
Tax on profit on ordinary activities	12	(8,670)	4,530	(4,140)	(3,016)	2,882	(134)
Profit for the financial year		2,363	(19,311)	(16,948)	16,747	(12,287)	4,460

All amounts relate to continuing operations.

The notes on pages 41-61 form part of these financial statements.

Consolidated statement of comprehensive income

for the year ended 31 March 2023

	Note	2023 £'000	2022 £'000
(Loss)/profit for the financial year		(16,948)	4,460
Revaluation deficit/(surplus) of owner occupied properties	14	(352)	348
Deferred tax in respect of items of other comprehensive (income)/loss		88	(87)
Other comprehensive (loss)/income for the year		(264)	261
Total comprehensive (loss)/income for the year		(17,212)	4,721
(Loss)/profit for the financial year is attributable to:			
Owners of the parent company		(7,871)	5,266
Non-controlling interest		(9,077)	(806)
		(16,948)	4,460
Total comprehensive (loss)/income is attributable to:			
Owners of the parent company		(8,135)	5,527
Non-controlling interest		(9,077)	(806)
		(17,212)	4,721

The notes on pages 41-61 form part of these financial statements.

Consolidated balance sheet

as at 31 March 2023

	Note	2023 £'000	2023 £'000	*Restated 2022 £'000	*Restated 2022 £'000
Fixed assets					
Intangible assets – negative goodwill	13		(3,084)		(3,141)
Intangible assets – positive goodwill	13		2,360		2,657
Tangible fixed assets	14		25,495		25,265
Investments	15		70,407		116,158
Current assets					
Investments	16	238		261	
Stocks	17	518,720		410,788	
Debtors - due in less than one year	18	96,467		100,249	
- due in more than one year		1,414		-	
Cash at bank and in hand		85,995		40,129	
		702,834		551,427	
Creditors: amounts falling due within one year	20	(352,185)		(238,672)	
Net current assets			350,649		312,755
Total assets less current liabilities			445,827		453,694
Creditors due in more than one year	21		(111,876)		(120,261)
Provisions for liabilities	23		(39,617)		(13,850)
Net assets			294,334		319,583
Capital and reserves					
Called up share capital	25		3		3
Fair value reserve			4,820		6,352
Revaluation reserve			821		1,107
Share premium account			77,755		77,755
Profit and loss account			205,246		220,773
Equity attributable to owners of the parent company			288,645		305,990
Non-controlling interest			5,689		13,593
Shareholders' funds			294,334		319,583

The financial statements were approved by the Board and authorised for issue on 18 October 2023.

S S Conway
Director

The notes on pages 41-61 form part of these financial statements.

* Prior year balances have been restated to reflect certain construction services provided during the year (that were invoiced after the balance sheet date) correctly within stock, accrued income and accrued costs. See note 1.1 for details.

Company balance sheet

as at 31 March 2023

	Note	2023 £'000	2023 £'000	2022 £'000	2022 £'000
Fixed assets					
Investments	15		88,978		113,345
Current assets					
Debtors - due in less than one year	18	229,895		248,027	
Cash at bank and in hand		25,075		-	
		254,970		248,027	
Creditors: amounts falling due within one year	20	(43,018)		(45,150)	
Net current assets			211,952		202,877
Total assets less current liabilities			300,930		316,222
Cash at bank and in hand			(2,150)		-
Net assets			298,780		316,222
Capital and reserves					
Called up share capital	25		3		3
Share premium account			77,755		77,755
Merger reserve			851		851
Profit and loss account			220,171		237,613
Shareholders' funds			298,780		316,222

As permitted by the Companies Act, the profit and loss account of the parent company is not presented as part of these accounts. The parent company's loss after taxation for the year amounted to £8,232,000 (2022 - profit of £15,451,000).

The financial statements were approved by the Board and authorised for issue on 18 October 2023.

S S Conway
Director

Company Registration No: 07947946

The notes on pages 41-61 form part of these financial statements.

Consolidated statement of changes in equity

as at 31 March 2023

	Share capital	Fair value reserve	Revaluation reserve	Share premium account	Profit and loss account	Equity attributable to the owners of the parent company	Non-controlling interest	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance as at 1 April 2022	3	6,352	1,107	77,755	220,773	305,990	13,593	319,583
Loss for the financial year	-	-	-	-	(7,871)	(7,871)	(9,077)	(16,948)
Revaluation surplus of owner occupied properties	-	-	(352)	-	-	(352)	-	(352)
Deferred tax in respect of items of other comprehensive income	-	-	88	-	-	88	-	88
Other comprehensive income for the year	-	-	264	-	-	264	-	264
Total comprehensive loss for the year	-	-	(264)	-	(7,871)	(8,135)	(9,077)	(17,212)
Transfer to fair value reserve	-	(1,554)	-	-	1,554	-	-	-
Transfer from owner-occupied to investment property	-	22	(22)	-	-	-	-	-
Shares issued during the year	-	-	-	-	-	-	8,980	8,980
Shares repurchased during the year	-	-	-	-	(9,210)	(9,210)	-	(9,210)
Dividends paid	-	-	-	-	-	-	(10,668)	(10,668)
Total contributions by and distributions to owners	-	(1,532)	(22)	-	(7,656)	(9,210)	(1,688)	(10,898)
Acquisition of non-controlling interest	-	-	-	-	-	-	(508)	(508)
Step acquisition from joint venture interest to subsidiary	-	-	-	-	-	-	3,513	3,513
Transfer from subsidiary to joint venture interest	-	-	-	-	-	-	(144)	(144)
Other reserve movements	-	-	-	-	-	-	2,861	2,861
Balance at 31 March 2023	3	4,820	821	77,755	205,246	288,645	5,689	294,334
Balance as at 1 April 2021	4	-	6,157	77,755	224,213	308,129	6,748	314,877
Impact of change in accounting policy	-	-	-	-	(1,448)	(1,448)	5,093	3,645
Impact of change in presentation	-	5,191	(5,191)	-	-	-	-	-
Balance as at 1 April 2021	4	5,191	966	77,755	222,765	306,681	11,841	318,522
Profit/(loss) for the financial year	-	-	-	-	5,266	5,266	(806)	4,460
Revaluation deficit of owner occupied properties	-	-	348	-	-	348	-	348
Deferred tax in respect of items of other comprehensive income	-	-	(87)	-	-	(87)	-	(87)
Other comprehensive income for the year	-	-	261	-	-	261	-	261
Total comprehensive income for the year	-	-	261	-	5,266	5,527	(806)	4,721
Transfer to fair value reserve	-	1,041	-	-	(1,041)	-	-	-
Transfer from owner-occupied to investment property	-	120	(120)	-	-	-	-	-
Shares issued during the year	-	-	-	-	-	-	9,563	9,563
Shares repurchased during the year	(1)	-	-	-	(6,431)	(6,432)	-	(6,432)
Share capital repaid	-	-	-	-	-	-	(1,518)	(1,518)
Dividends paid	-	-	-	-	-	-	(1,547)	(1,547)
Total contributions by and distributions to owners	(1)	1,161	(120)	-	(7,472)	(6,432)	6,498	66
Acquisition of subsidiaries	-	-	-	-	-	-	(5,283)	(5,283)
Disposal of subsidiaries	-	-	-	-	-	-	1,710	1,710
Purchase of non-controlling interests	-	-	-	-	214	214	(367)	(153)
Other reserve movements	-	-	-	-	214	214	(3,940)	(3,726)
Balance at 31 March 2022	3	6,352	1,107	77,755	220,773	305,990	13,593	319,583

The notes on pages 41-61 form part of these financial statements.

Company statement of changes in equity

as at 31 March 2023

	Share capital	Share premium account	Merger reserve	Profit and loss account	Total
	£'000	£'000	£'000	£'000	£'000
Balance at 1 April 2022	3	77,755	851	237,613	316,222
Comprehensive loss for the financial year	-	-	-	(8,232)	(8,232)
Total comprehensive loss for the year	-	-	-	(8,232)	(8,232)
Contributions by and distributions to owners					
Shares repurchased during the year	-	-	-	(9,210)	(9,210)
Total contributions by and distributions to owners	-	-	-	(9,210)	(9,210)
Balance at 31 March 2023	3	77,755	851	220,171	298,780
Balance as at 1 April 2021	4	77,755	1,164	228,280	307,203
Total comprehensive income for the year	-	-	-	15,451	15,451
Contributions by and distributions to owners					
Shares issued during the year	-	-	-	-	-
Shares repurchased during the year	(1)	-	-	(6,431)	(6,432)
Merger reserve release	-	-	(313)	313	-
Dividends paid	-	-	-	-	-
Total contributions by and distributions to owners	(1)	-	(313)	(6,118)	(6,432)
Balance at 31 March 2022	3	77,755	851	237,613	316,222

The notes on pages 41-61 form part of these financial statements.

Consolidated statement of cash flows

as at 31 March 2023

	Note	2023 £'000	*Restated 2022 £'000
Cash flows from operating activities			
(Loss)/profit for the financial year		(16,948)	4,460
Adjustments for:			
Depreciation, impairment and amortisation of fixed assets and goodwill		26,843	(6)
Share of (profit) for the year of equity accounted investments	15	(48,952)	(1,405)
Net fair value losses/(profits) recognised in profit or loss		2,071	(1,996)
Net interest payable		21,870	9,930
Taxation charge	12	4,140	134
Decrease in trade and other debtors		4,236	40,915
Increase in stocks		(80,482)	(36,544)
Increase/(decrease) in trade and other creditors		10,427	(26,975)
Increase in provisions		24,362	2,434
Profit on disposal		(248)	(9,196)
Cash from operations		(52,681)	(18,249)
Interest paid		(12,937)	(8,609)
Taxation paid		(8,712)	(4,868)
Net cash used in operating activities		(74,330)	(31,726)
Cash flows from investing activities			
Proceeds from the sale of business assets		441	7,514
Purchases of tangible fixed assets		(3,675)	(1,342)
Transfer from subsidiary to joint venture		(51)	-
Interest received		1,119	1,263
Distributions received on fixed asset investments		51,963	17,112
Purchase of subsidiary undertakings		(1,510)	(31,736)
Net cash acquired with subsidiary undertaking		755	641
Capital repayments from fixed and current investments		19,343	8,975
Investment in fixed asset investments		(9,643)	(11,578)
Purchase of fixed asset investments		-	(1,170)
Proceeds from the sale of fixed asset investments		-	16,832
Investment in other loans		(8,685)	(7,960)
Repayment of other loans		11,168	18,247
Net cash generated from investing activities		61,225	16,798
Cash flows from financing activities			
Repurchase of own shares		(9,210)	(6,432)
Equity dividends paid to non-controlling interests		(10,668)	(1,547)
Issue of shares to non-controlling interests		9,139	8,046
Bank and other loans drawn		99,424	41,822
Bank and other loans repaid		(44,582)	(40,169)
Net funds from/(to) joint developers		14,868	(7,922)
Net cash generated from/(used in) financing activities		58,971	(6,202)
Net increase/(decrease) in cash and cash equivalents		45,866	(21,130)
Cash and cash equivalents at the beginning of the year		40,129	61,259
Cash and cash equivalents at the end of the year		85,995	40,129
Cash and cash equivalents comprise:			
Cash at bank and in hand		85,995	40,129
		85,995	40,129

The notes on pages 41-61 form part of these financial statements.

* Prior year balances have been restated to reflect certain construction services provided during the year (that were invoiced after the balance sheet date) correctly within stock, accrued income and accrued costs. See note 1.1 for details.

Notes forming part of the financial statements

as at 31 March 2023

1 Accounting policies

Galliard Group Limited is a private company limited by shares incorporated in England & Wales under the Companies Act. The address of the registered office is given on page 66 and the nature of the group's operations is set out in the strategic report. The financial statements have been prepared in accordance with FRS 102, the Financial reporting Standard applicable in the United Kingdom and the Republic of Ireland, and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investment properties, owner occupied properties held as fixed assets, and the modification to a fair value basis of certain financial obligations as specified in the accounting policies below.

The financial statements are presented in sterling (£), which is the functional currency of the group. Monetary amounts in these financial statements are rounded to the nearest thousand.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires group management to exercise judgement in applying the group's accounting policies. Judgements and estimates made by directors can be found in Note 2.

In preparing the separate financial statements of the parent company, advantage has been taken of the following disclosure exemptions available in FRS 102:

- Only one reconciliation of the number of shares outstanding at the beginning and end of the period has been presented as the reconciliation's for the group and parent company would be identical;
- No cash flow statement has been presented for the parent company;
- Disclosures in respect of the parent company's financial instruments have not been presented as the equivalent disclosure has been provided in respect of the group as a whole; and
- No disclosure has been given for the aggregate remuneration of the key management personnel of the parent company as their remuneration is included in the totals for the group as a whole.

The following principal accounting policies have been applied:

Going concern

The financial statements have been prepared on the basis that the Company and Group continues to be a going concern. In their assessment of going concern, the directors have prepared forecasts for a period of at least 12 months from the date of approval of the financial statements. The group's continued operation is dependent upon the availability of external finance. At 31 March 2023 the group had external debt with a value of £132,077,000 payable within twelve months.

Since the year-end £556,000 of the total debt above has been repaid either partially or in full out of post year-end sales proceeds. The remaining £131,521,000 is expected to be repaid from sales proceeds received in the next 12 months or the negotiation of new lending facilities. The group has developments with a gross development value of £202,342,000 which are expected to complete in the next 12 months. Since the year-end a further £2,783,000 of loans have become due for repayment within 12 months of the date of signing the accounts.

The group participates in a number of joint ventures and associates, which, at 31 March 2023 had external debt with a gross value of £442,445,000, of which £384,425,000 is payable within twelve months. Since the year-end £800,000 of the gross debt within the group's joint ventures and associates has been repaid either partially or in full out of post year-end sales proceeds. The remaining £383,625,000 is expected to be paid from sales proceeds in the next 12 months or the negotiation of new lending facilities. The bank loan facility for one of the joint ventures in which the group has invested that is due for repayment in the next 12 months is being negotiated with a new lender at the time of signing the accounts. If, for some reason, a new facility cannot be negotiated, the group's guarantee at £11,850,000 (included in note 30) may be called upon. The same joint venture entity was also in default of long stop completion dates for certain residential units that were previously reserved by customers. If members are called upon to fund the repayment of deposits to any buyers party to those forward purchase agreements currently in default, the maximum amount of additional funding required by the group will be £3,051,000. The group's joint ventures and associates have developments with a gross development value of £273,590,000 which are expected to complete in the next 12 months.

In determining the appropriate basis of preparation of the financial statements, the directors are required to consider whether the group can continue in operational existence for the foreseeable future. The COVID-19 pandemic has had only a marginal impact on the group's trading and is no longer considered a significant factor in assessing the future viability of the business. Current economic factors such as inflation and increases in interest rates, whilst unusual in the context of recent experience, are not considered sufficiently excessive to warrant undue concern, although the situation will be closely monitored and corrective action to mitigate against potential adverse consequences will be taken if deemed appropriate. For these reasons the directors are confident in the ability of the group to trade as a going concern for the foreseeable future.

The Company's financial statements have been prepared on a going concern basis. The preferences shares will not be recalled for a period of twelve months unless the group is in a position to repay them and such repayment would not impact on the group's liquidity.

as at 31 March 2023

1 Accounting policies (continued)

Basis of consolidation

The group financial statements consolidate the financial statements of Galliard Group Limited and all its subsidiary undertakings drawn up to 31 March each year. No profit and loss account is presented for the parent company as permitted by section 408 of the Companies Act 2006.

Subsidiaries are consolidated from the date of their acquisition, being the date on which the group obtains control and continue to be consolidated until the date that such control ceases. Control comprises the power to govern the financial and operating policies of the investee so as to obtain benefit from its activities. In subsidiary undertakings where non-equity parties are entitled to a share of profit on a development, their share of profit or loss is treated as a future transfer of resources and fair valued, using management forecasts and appropriate internal rate of return percentages.

Joint ventures and associates

An entity is treated as a joint venture where the group holds a long-term interest and shares joint control under a contractual arrangement. An entity is treated as an associate where the group has significant influence whereby it has the power to participate in operating and financial policy decisions.

In the consolidated accounts, interests in joint ventures and associated undertakings are accounted for using the equity method of accounting. An equity investment is initially recognised at the transaction price and is subsequently adjusted to reflect share of profit or loss, other comprehensive income and equity. The consolidated statement of comprehensive income includes the group's share of the operating results, interest, pre-tax results and attributable taxation of such undertakings applying accounting policies consistent with those of the group. In the consolidated balance sheet, the interests in joint ventures and associates are shown as the group's share of net assets, including any unamortised premium paid on acquisition.

Interests in joint arrangements, where there are jointly controlled operations or jointly controlled assets, are accounted for by taking account of either the share of assets and liabilities or, in the case of a jointly controlled operation, by the recognition of the assets controlled and liabilities incurred.

Investments in joint developments where the property is held on trust by a nominee company are accounted for as joint controlled operations, accordingly the company accounts for its own assets, liabilities and cash flows measured according to the terms of the agreement governing the arrangement.

Any premium on acquisition is dealt with under the goodwill policy.

Turnover

Turnover comprises amounts receivable from the sales of developed units and contract work undertaken on developments from which the company derives a profit participation.

Turnover is recognised as the fair value of consideration received or receivable on transfer of the significant risks and rewards of ownership to the buyer. This is usually at the point of legal completion of developed units. Turnover is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Where the outcome of a contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the reporting end date. Variations in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable.

The stage of completion is calculated by comparing costs incurred mainly in relation to contractual hourly staff rates and materials, as a proportion of estimated total costs.

When it is probable that total contract costs will exceed total contract turnover, the expected loss is recognised as an expense immediately.

Where the outcome of a contract cannot be estimated reliably, costs are recognised as expenses in the period in which they are incurred and contract revenue is recognised to the extent of contract costs incurred where it is probable that they will be recoverable.

Other income

Other operating income comprises amounts receivable from letting and property manangement services, sales and letting commissions, forfeited deposits, development management services and investment income from assets that are not joint ventures or associates.

Other operating income is recognised to the extent that it is probable that economic benefit will flow to the group and the income can be reliably measured. Other operating income is measured as the fair value of the consideration received or receivable excluding value added tax.

1 Accounting policies (continued)

Goodwill

Goodwill arising on the acquisition of subsidiary, joint venture and associated undertakings is the difference between the fair value of the consideration paid and the fair value of the assets and liabilities acquired.

Positive goodwill is capitalised and amortised through the profit and loss account over the directors' estimate of its useful economic life. Negative goodwill up to the fair value of non-monetary assets acquired is recognised in the profit and loss account in the periods in which the non-monetary assets are recovered whether through depreciation or sale. Any negative goodwill in excess of the fair values of the non-monetary assets acquired is recognised in the profit and loss account in the periods expected to benefit.

Investment properties

In accordance with FRS 102 investment properties are carried at fair value. No depreciation is provided. Changes in fair value are initially recognised in the profit and loss account, and thereafter transferred to a non-distributable fair value reserve, except in those instances where there is a permanent diminution in value, in which case recognition remains within profit and loss.

Relevant portions of mixed use properties are separately classified between investment properties and owner occupied properties within tangible fixed assets. The apportionment of mixed use properties has been based on an assessment of current market value of the relevant properties as assessed by the directors.

Tangible fixed assets

Tangible fixed assets, other than owner-occupied property, are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The group adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred if the replacement part is expected to provide incremental future benefits to the group. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation of fixed assets

Depreciation is provided on the cost of tangible fixed assets in equal annual instalments over the estimated useful lives of the assets. Depreciation rates are as follows:

Fixtures and equipment - 2 to 5 years per annum straight line.
Motor vehicles - 4 years per annum straight line.

Depreciation has not been provided on freehold or owner occupied land and buildings as it is considered to be immaterial.

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Owner-occupied property

Owner-occupied property is measured using the revaluation model. If its carrying amount is increased as a result of a revaluation, the increase is recognised in other comprehensive income and accumulated in a revaluation reserve. However, the increase is recognised in profit or loss to the extent that it reverses a revaluation decrease previously recognised in profit or loss. Any decrease in carrying amount as a result of a revaluation is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in the revaluation reserve.

If a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity, the excess is recognised in profit or loss.

Investments

Investments held as fixed assets by the group and company are stated at cost less any provision for impairment. The investments are assessed for impairment at each reporting date and any impairment losses or reversal of impairment losses are recognised immediately in profit or loss.

Investments in subsidiaries are measured at cost less any provision for impairment. Where merger relief is applicable, the cost of the investment in a subsidiary undertaking is measured at the nominal value of the shares issued together with the fair value of any consideration paid.

Other current asset investments are stated at the lower of cost and estimated net realisable value.

Capital interests in joint ventures represent amounts loaned to joint ventures together with amounts appropriated in respect of profits and losses on developments.

as at 31 March 2023

1 Accounting policies (continued)

Stocks

Stocks represent property acquired for development together with work in progress on those properties. These assets are included at the lower of cost and net realisable value. Cost for this purpose comprises the purchase cost of land and buildings and development expenditure.

At each reporting date, inventories are assessed for impairment. If inventory is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

Profit on sales of developed properties is taken on receipt of sales proceeds at legal completion. Costs attributable to each sale comprise an appropriate proportion of the total costs of the development.

Financial assets, liabilities, instruments and costs

Financial assets, other than investments and derivatives, are initially measured at transaction price and subsequently held at cost, less any impairment. Short term trade creditors are measured at the transaction price. Other financial liabilities, including loans, are measured at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method. Financial liabilities and equity are classified according to the substance of the instruments' contractual obligation, rather than its legal form.

Finance costs are charged to profit or loss over the term of the debt using the effective interest rate method so that the amount charged is at a constant rate on the carrying amount.

Operating leases - lessee

The group leases premises under operating leases from non-related parties. Operating lease rentals are charged to the profit and loss account in equal annual amounts over the lease term. The benefits of lease incentives received or given on entering into new leases are spread over the lease term. The lease term is defined as the non-cancellable period for which the lessee has the option to continue to lease the asset, with or without further payment, when at the inception of the lease it is reasonably certain that the lessee will exercise the option.

Operating leases - lessor

Leases of investment properties and development stock where the group retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is recognised in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred by the group in negotiating and arranging operating leases are recognised as an expense in profit or loss as incurred.

Taxation

The tax expense for the period comprises current and deferred tax.

Current tax

The current tax charge is calculated on the basis of tax rates and laws that have been enacted or substantially enacted by the reporting date.

Deferred taxation

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date except:

- the recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- where timing differences relate to interests in subsidiaries, associates and joint ventures and the group can control their reversal and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences.

Share based payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each balance sheet date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest.

Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond control of either party (such as target based on an index) or factors which are within the control of one or other of the parties (such as the group keeping the scheme open or the employee maintaining any contributions required by the scheme).

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Where equity instruments are granted to persons other than employees, profit or loss is charged with fair value of goods and services received.

1 Accounting policies (continued)

Pension costs

Contributions to the stakeholder scheme are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

Provisions for liabilities

Provisions are recognised when the group has a present obligation (legal or constructive) as a result of a past event, it is probable that the group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value using a pre-tax discount rate. The unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

The group recognises a provision for annual leave accrued by employees as a result of services rendered in the current period, and which employees are entitled to carry forward and use within the next 12 months. The provision is measured at the salary cost payable for the period of absence.

Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

Reserves

The group and company's reserves are as follows:

- Called up share capital represents the nominal value of the shares issued.
- Share premium account includes the premium on issue of equity shares, net of any issue costs.
- Fair value reserve represents fair value adjustments relating to investment properties.
- Revaluation reserve represents fair value adjustments relating to owner occupied property classified as property, plant and equipment.
- Profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.
- Merger reserve represents the premium on acquisition of subsidiary companies using own shares.

1.1 Correction of a prior period error

Prior year balances have been restated to reflect certain construction services received during the year (that were invoiced after the balance sheet date) correctly within stock, accrued income and accruals. These restatements have had no impact on the consolidated income statement.

Movements in stock, debtors, and creditors in the consolidated cash flow statement comparatives have also been restated. These restatements have had no impact on previously reported net cash generated from operations.

	31 March 2022 £'000
Impact on equity (increase/(decrease) in equity)	
Stock	4,425
Debtors - due in less than one year	6,444
Total assets	**10,869**
Creditors: amounts falling due within one year	(10,869)
Total liabilities	**(10,869)**
Net impact on equity	-
Correction of opening balances for the year ending 31 March 2022 had no impact on equity.	
Impact on consolidated cash flow statement	
Cash flows from operating activities	
Decrease/(increase) in trade and other debtors	3,741
Increase in stocks	(2,833)
(Decrease)/increase in trade and other creditors	(908)
Cash from operations	-
Net cash (used in)/generated from operating activities	-
Net (decrease)/increase in cash and cash equivalents	-
Cash and cash equivalents at the beginning of the year	-
Cash and cash equivalents at the end of the year	-

2 Judgements in applying accounting policies and key sources of estimation uncertainty

The group and company makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The areas where assumptions and estimates are significant to the financial statements are:

Revenue recognition (note 3)

In order to determine the profit or loss that the group is able to recognise on its construction contracts in a specific period, the group has to allocate total costs of the construction contracts between the proportion completing in the period and the proportion to complete in a future period. The assessment of the total costs to be incurred requires a degree of estimation, as does the assessment of a development's valuation.

Carrying value of inventories (note 17)

In applying the group's accounting policy for the valuation of inventories the directors are required to assess the expected selling price and costs to sell each of the units that constitute the group's work in progress. Cost includes the cost of acquisition of sites, the cost of infrastructure and construction works, and legal and professional fees incurred during development prior to sale. Estimation of the selling price is subject to significant inherent uncertainties, in particular the prediction of future trends in the market value of property.

Whilst the directors exercise due care and attention to make reasonable estimates, taking into account all available information in estimating the future selling price, the estimates will, in all likelihood, differ from the actual selling prices achieved in future periods and these differences may, in certain circumstances, be significant.

Investment properties (note 14)

Investment properties are valued annually at fair value. Fair value is ascertained through review of a number of factors and information flows, including market knowledge, recent market movements, recent sales of similar properties, historical experience, rent levels and flows of cash for the respective investment property. There is an inevitable degree of judgement involved and value can only be reliably tested ultimately in the market itself.

Investments (note 15)

Investments held as fixed assets by the company are stated at cost less any provision for impairment. Directors have assessed the recoverability of investments made and economic benefit of the investments based on market conditions, economic forecasts and cashflow estimates.

There are a number of companies which are accounted for as subsidiaries (rather than joint ventures or associates) where the group has an equity ownership interest of 50% or less. The directors have applied their judgment in establishing whether the group controls these entities and the considerations made include; the composition of the board, clauses in the shareholder agreement, voting rights held, how operational and strategic decisions are made, and the process that occurs in the event of a tied vote.

Provisions (note 23)

The group makes assumptions to determine the timing and its best estimate of the quantum of its construction and other liabilities for which provisions are held. Factors used in the assumptions and estimates includes period to completion, costs to completion, and assumptions used in deriving internal rates of return for each construction project. The group also makes assumptions to assess the economic viability of certain contracts held, which includes assumptions on future market conditions and revenue streams. The nature of provisions made as at the year end are analysed and described in note 23.

3 Turnover

All turnover derives from UK operations

	Group 2023 £'000	Group 2022 £'000
Turnover comprises:		
Amount from contracted construction work	2,293	57,816
Amount from the sale of residential property	164,827	145,960
Total	167,120	203,776

4 Employees

	Group 2023 £'000	Group 2022 £'000
Staff costs consist of:		
Wages and salaries	34,560	38,804
Social security costs	3,605	4,707
Other pension costs	1,981	2,176
Total	40,146	45,687

	Number	Number
The average number of employees, including directors during the year was:		
Construction	167	174
Sales	85	91
Administration	233	240
Total	485	505

Management considers that the directors represent the key management personnel of the group.

The group operates a stakeholder defined contribution pension scheme for the benefit of the employees and directors. The assets of the scheme are administered by an independent pensions provider. Pension payments recognised as an expense during the year amount to £1,981,000 (2022 - £2,176,000).

5 Directors' emoluments

	2023 £'000	2022 £'000
Directors' remuneration consists of:		
Remuneration for qualifying services*	4,614	11,965
Company pension contributions to defined contribution schemes	40	145
Total	4,654	12,110
Pension contributions accrue in respect of 4 directors.		
*Highest paid director:**		
Salary and other taxable benefits	2,275	9,091
Company pension contributions to defined contribution schemes	3	110
Total	2,278	9,201

* Amounts included in the current year reflect settlement payments of £2,244,000 (2022 - £8,338,000) to an outgoing director. Of the director's settlement payment, £2,244,000 (2022 - £1,395,050) was compensation paid to the director for termination of share options granted under the parent company's employee benefit scheme (see note 26). In addition to the settlement payment, £4,400,000 was paid to the outgoing director (2022 - £7,013,000) to repurchase shares granted to the director under the parent company's employee benefit scheme.

Notes forming part of the financial statements

as at 31 March 2023

6 Other operating income

	Group 2023 £'000	Group 2022 £'000
Development management fees	271	6,487
Rental income	14,528	11,197
Commissions	277	315
Property management services	19,463	16,735
Forfeited deposits	762	260
Investment and other income	12,942	986
Total	48,243	35,980

Investment and other income in 2023 includes fee income for the provision of services related to obtaining planning permission (£4,658,000), investment income from profit share agreements (£3,721,000) and income from the settlement of a legal claim relating to a sale made under a compulsory purchase order (£3,995,000).

7 Other operating expenses

	Group 2023 £'000	Group 2022 £'000
Rental expenses	8,013	5,173
Property management services	17,902	15,476
Impairment of related party and other debtors	31,736	1,664
Total	57,651	22,313

8 Group operating profit

	Group 2023 £'000	Group 2022 £'000
This has been arrived at after charging:		
Depreciation - owned assets	583	471
Operating lease expense	100	1,177
Principal auditor's remuneration		
Audit (Company £20,500, 2022 - £20,500)	360	295
Release of negative goodwill	(57)	(1,362)
Amortisation of positive goodwill	297	315
Impairment of fixed asset investments	26,000	559
Impairment charge of stock	15,037	4,442

An impairment charge of £24,366,000 was recognised in 2023 within the Group's operating expenses, reflecting the impact of the capital reduction on the carrying value of one of the group's investments in joint ventures.

9 Interest receivable and similar income

	Group 2023 £'000	Group 2022 £'000
Bank interest	371	25
Other interest	(444)	3,574
Total	(73)	3,599

10 Interest payable and similar charges

	Group 2023 £'000	Group 2022 £'000
Bank loans	15,266	8,405
Other loans	3,243	1,750
Amortisation of issue costs	1,543	1,435
Preference dividend	2,150	2,150
Decrease in provisions for joint developer obligations	(405)	(211)
Total	21,797	13,529

11 Exceptional charges

Exceptional charges in cost of sales of £23,841,000 (2022 - £6,834,000) comprises amounts affecting profit and loss for the period in relation to the provision for estimated costs of remediation works to meet the group's commitment to improving building safety standards on its current and historic developments. See note 23 for details.

Exceptional charges in overheads in the prior year (£8,335,000) reflect settlement payments to an outgoing director. These items are considered to be exceptional due to their size and non-recurring nature.

12 Tax on profit on ordinary activities

	Group 2023 £'000	Group 2022 £'000
Corporation tax charge for the year	5,662	936
Current tax adjustment in respect of previous years	(1,948)	(804)
Total current tax charge for the year	3,714	132
Deferred tax charge/(credit) for the year	402	(453)
Deferred tax adjustment in respect of previous years	24	455
	4,140	134
Tax reconciliation:		
(Loss)/profit on ordinary activities before taxation	(12,808)	4,594
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2022 - 19%)	(2,434)	873
Effects of:		
Expenses not deductible for tax purposes	8,710	1,389
Adjustments to tax charge in respect of prior years	(1,924)	(349)
Share of joint venture (profits)/losses	(5,405)	112
Non taxable write back of negative goodwill	(11)	(259)
Different tax rates on deferred tax	215	10
Unrecognised deferred tax	6,115	1,240
Non taxable income	(2,963)	(1,802)
Tax on loans to participators	1,982	(1,080)
Other movements	(145)	-
Total tax charge for the year	4,140	134

The deferred tax credit relating to items recognised in other comprehensive income is £88,000 (2022 - £87,000).

13 Intangible assets

	Group 2023 £'000	Group 2022 £'000
Negative goodwill		
Cost		
At 1 April	(3,141)	(4,503)
Realised in profit and loss account	57	1,362
At 31 March	(3,084)	(3,141)
Positive goodwill		
Cost		
At 1 April	2,657	2,813
Acquisition of subsidiary	-	159
Amortisation	(297)	(315)
At 31 March	2,360	2,657

For details of acquisitions in the prior year refer to note 27.

The directors do not consider the useful life of the positive goodwill arising on consolidation of Life At Limited to be reliably estimated and as such the positive goodwill is being amortised on a straight line basis over a useful life of 10 years.

14 Tangible fixed assets

Group	Property £'000	Fixtures and equipment £'000	Motor vehicles £'000	Total £'000
Cost or valuation				
At 1 April 2022	25,261	3,125	1,183	29,569
Additions	3,318	357	-	3,675
Revaluation	(2,424)	-	-	(2,424)
Disposals	(501)	-	(179)	(680)
At 31 March 2023	**25,654**	**3,482**	**1,004**	**30,140**
Depreciation				
At 1 April 2022	700	2,806	798	4,304
Charge for the year	241	140	202	583
Disposals	-	-	(242)	(242)
At 31 March 2023	**941**	**2,946**	**758**	**4,645**
Net book value				
At 31 March 2023	**24,713**	**536**	**246**	**25,495**
At 31 March 2022	24,561	319	385	25,265

14 Tangible fixed assets (continued)

Property	Investment property £'000	Owner-occupied property £'000	Long leasehold property £'000	Short leasehold property £'000	Total £'000
Cost or valuation					
At 1 April 2022	20,033	3,487	500	1,241	25,261
Additions	2,529	425	-	364	3,318
Disposals	-	-	(500)	-	(500)
Transfer to owner-occupied	71	(71)	-	-	-
Revaluation	(2,072)	(352)	-	-	(2,424)
At 31 March 2023	**20,561**	**3,489**	**-**	**1,605**	**25,655**
Depreciation					
At 1 April 2022	-	-	-	700	700
Charge for the year	-	-	-	241	241
At 31 March 2023	**-**	**-**	**-**	**941**	**941**
Net book value					
At 31 March 2023	**20,561**	**3,489**	**-**	**664**	**24,714**
At 31 March 2022	20,033	3,487	500	541	24,561

Valuation

The group's investment properties, including owner-occupied property, were valued by the directors of the company as at 31 March 2023. In their opinion, the fair market value was £24,050,000 (2022 - £23,520,000) as compared to a historical cost of £16,528,000 (2022 - £13,575,000).

15 Investments

Fixed asset investments

Group	Joint ventures £'000	Associated undertakings £'000	Other fixed asset investments £'000	Total £'000
Cost or valuation				
At 1 April 2022	91,368	43,291	3,341	138,000
Additions	3,262	6,378	3	9,643
Transferred to subsidiary	(1,608)	(6,164)	-	(7,772)
Return of investment funding	(19,056)	(176)	(111)	(19,343)
Reclassified (to)/from other assets	(1,192)	-	1,192	-
Impairments	(24,366)	-	(1,634)	(26,000)
At 31 March 2023	**48,408**	**43,329**	**2,791**	**94,528**
Share of retained profits				
At 1 April 2022	(8,718)	(13,124)	-	(21,842)
Total comprehensive income for the year	53,536	(4,584)	-	48,952
Amounts distributed	(51,963)	-	-	(51,963)
Disposals	-	-	-	-
Transfer to subsidiary	391	341	-	732
At 31 March 2023	**(6,754)**	**(17,367)**	**-**	**(24,121)**
Net book value				
At 31 March 2023	**41,654**	**25,962**	**2,791**	**70,407**
At 31 March 2022	82,650	30,167	3,341	116,158

15 Investments (continued)

Other investments are not listed and are held at cost less impairment as fair value cannot be reliably determined.

During the year certain investments were reclassified from investments in joint ventures to Other fixed asset investment to better reflect the nature of the group's control over the investment vehicle.

Company	Subsidiary undertakings £'000	Joint ventures £'000	Total £'000
Cost			
At 1 April 2022	88,978	24,367	113,345
Impairment	-	(24,367)	(24,367)
At 31 March 2023	**88,978**	**-**	**88,978**

A complete list of the company's subsidiary undertakings can be found in note 34 at the end of this report.

The company is also a party to a large number of joint developments where the property is held on trust by a nominee company. These developments are accounted for as jointly controlled operations, accordingly the company accounts for its share of the assets, liabilities and cash flows measured according to the terms of the agreement covering the arrangement.

16 Current asset investments

	Group £'000	Company £'000
At 1 April 2022	**261**	-
Impairment	(23)	-
At 31 March 2023	**238**	**-**

17 Stocks

	Group 2023 £'000	*Restated Group 2022 £'000
Development properties held in work in progress	**518,720**	410,788
Total	**518,720**	410,788

Stock recognised in cost of sales during the year as an expense was £49,364,000 (2022 - £98,382,000).

Impairment losses of £15,037,000 (2022 - £4,442,000) were recognised in cost of sales against stock during the year due to the impact of reduced demand for commercial space on the net realisable value of certain commercial properties in the group's portfolio.

Total stock held as security against loans was £344,577,000 (* Restated 2022 - £222,147,000).

18 Debtors due in less than one year

	Group 2023 £'000	*Restated Group 2022 £'000	Company 2023 £'000	Company 2022 £'000
Trade debtors	**7,559**	6,819	**-**	-
Amounts owed by subsidiaries	**-**	-	**228,966**	245,427
Amounts owed by related companies	**8,690**	11,111	**-**	-
Loans receivable	**14,384**	15,555	**919**	1,315
Amounts due in respect of joint developments	**3,365**	2,575	**-**	-
Corporation tax	**5,286**	-	**-**	-
Prepayments and accrued income	**22,214**	25,207	**-**	-
Other debtors	**34,969**	38,982	**10**	1,285
Total	**96,467**	100,249	**229,895**	248,027

All amounts shown above fall due for payment within one year.

* Prior year balances have been restated to reflect certain construction services provided during the year (that were invoiced after the balance sheet date) correctly within stock, accrued income and accrued costs. See note 1.1 for details.

19 Debtors due in more than one year

	Group 2023 £'000	Group 2022 £'000	Company 2023 £'000	Company 2022 £'000
Derivatives	**1,414**	-	**-**	-

Derivatives comprise an interest rate cap contract to mitigate increases in interest rates on bank debt relating to property owned by the group. Under the interest rate cap contract the group pays interest capped at a rate of 1.5% and receives floating interest linked to 3 month LIBOR if the floating rate exceeds the interest cap rate. The group paid a premium of £85,000 at inception of the interest rate cap contract. The derivative is measured at fair value through profit or loss at the balance sheet date.

19 Net debt reconciliation

	1 April 2022 £'000	Cash flows £'000	Purchase of subsidiaries** Inflow £'000	Purchase of subsidiaries** Outflow £'000	Other non-cash changes*** £'000	31 March 2023 £'000
Cash at bank and in hand	40,129	46,621	755	(1,510)	-	85,995
Bank loans	(167,481)	(54,906)	(13,256)	-	(8,310)	(243,953)
Derivatives related to debt	-	-	-	-	1,414	1,414
	(127,352)	**(8,285)**	**(12,501)**	**(1,510)**	**(6,896)**	**(156,544)**

** Increase in debt following purchase of subsidiaries.

*** Other non-cash changes comprises debt issue cost amortisation and interest rolled up into debt.

20 Creditors: amounts falling due within one year

	Group 2023 £'000	*Restated Group 2022 £'000	Company 2023 £'000	Company 2022 £'000
Loans and overdrafts	**132,077**	47,282	**-**	-
Trade creditors	**18,643**	20,171	**-**	
Amounts owed to related companies	**44,658**	28,594	**-**	-
Amounts due in respect of joint developments	**56,175**	39,855	**-**	-
Corporation tax	**-**	269	**-**	-
Other tax and social security	**4,190**	2,548	**-**	-
Other creditors	**28,630**	36,264	**-**	-
Deferred tax (note 24)	**2,608**	2,270	**-**	-
Accruals and deferred income	**22,204**	18,419	**18**	2,150
Preference shares	**43,000**	43,000	**43,000**	43,000
Total	**352,185**	**238,672**	**43,018**	**45,150**

Loans are secured against the group's interests in development and trading properties. The group has a large number of loans, the terms of which vary.

The group has a fixed rate loan of £5,497,000 on which interest is charged at a rate of 3.95%. Interest rates paid on all other loans are based on LIBOR, SONIA or the Base Rate plus a margin. Margins are charged at rates between 1.8% and 8.4%.

Preference shares

On 2 April 2012, £43,000,000 5% Cumulative Preference Shares were issued to finance part of the acquisition of Galliard Holdings Limited.

The preference shares are redeemable at the option of the registered holder. Accrued preference share dividends will not be paid until such time as the directors determine. Included within notes 20 to 23 are the following amounts for both group and company in respect of nominal value and accrued dividend to 31 March 2023:

	2023 £'000	2022 £'000
Creditors falling due within one year		
Nominal value	**43,000**	43,000
Provisions		
Accrued preference share dividends	**2,150**	2,150

* Prior year balances have been restated to reflect certain construction services provided during the year (that were invoiced after the balance sheet date) correctly within stock, accrued income and accrued costs. See note 1.1 for details.

as at 31 March 2023

21 Creditors: amounts falling due after more than one year

	Group 2023 £'000	Group 2022 £'000	Company 2023 £'000	Company 2022 £'000
Bank and other loans	**111,876**	120,261	**-**	-
Bank, other loans and preferences shares due: in one year or less, or on demand	**175,077**	90,282	**43,000**	43,000
Between one and two years	**50,593**	60,958	**-**	-
Between two and five years	**50,901**	55,687	**-**	-
Over five years	**10,382**	3,616	**-**	-
Total	**111,876**	120,261	**-**	-

Bank loans are shown net of issue costs of £2,182,000 (2022 - £2,855,000). Issue costs are charged over the terms of the loans at a constant rate on the carrying amount as an approximation of the effective interest rate.

22 Financial instruments

The group's and company's financial instruments may be analysed as follows:

	Group 2023 £'000	Group 2022 £'000	Company 2023 £'000	Company 2022 £'000
Financial assets				
Financial assets measured at fair value through profit or loss	**1,414**	-	**-**	-
Financial assets measured at amortised cost	**170,703**	127,855	**254,970**	248,027
	172,117	127,855	**254,970**	248,027
Financial liabilities				
Financial liabilities measured at amortised cost	**449,841**	335,173	**43,018**	43,000

Financial assets at fair value through profit or loss comprises the fair value of a derivative at the balance sheet date. The derivative is an interest rate cap contract not traded in an active market. The interest rate cap has been fair valued using mark-to-market valuations provided by the contract counterparty.

Financial assets measured at amortised cost comprise cash, trade debtors, other debtors, accrued income, amounts owed by joint ventures and associated undertakings.

Financial liabilities measured at amortised cost comprise convertible preference shares, bank loans and overdrafts, trade creditors, other creditors, accruals and amounts owed to related companies and subsidiary undertakings.

Information regarding the group's exposure to and management of credit risk, liquidity risk and market risk is included in the Strategic report on page 8.

23 Provisions for liabilities

	Group 2023 £'000	Group 2022 £'000	Company 2023 £'000	Company 2022 £'000
Provisions for liabilities and charges comprises:				
Provisions for joint developer obligations	**2,734**	3,366	**-**	-
Remediation works	**30,675**	6,834	**-**	-
Other provisions	**6,208**	3,650	**2,150**	-
	39,617	13,850	**2,150**	-
Movement in provisions:				
At 1 April	**13,850**	14,619	**-**	-
Provisions created	**30,434**	9,486	**2,150**	2,150
Provisions utilised	**(1,340)**	(9,642)	**-**	(2,150)
Provisions released	**(3,327)**	(613)	**-**	-
At 31 March	**39,617**	**13,850**	**2,150**	-

Provisions for joint developer obligations primarily comprise a best estimate of contractual commitments to distribute profits to joint developers post completion. The obligations are expected to be incurred in the ordinary course of business based on historic experience but are uncertain in respect of timing and quantum.

Provisions for remediation works comprise estimated costs for the group to meet the group's commitment to improving building safety standards on its current and historic developments. The provision at 31 March 2023 reflects management's best estimate of the group's obligation relating to the cost of completing works to ensure fire safety on the remaining affected buildings under the group's direct ownership and on those under third party ownership which the group has developed. These estimates may change over time as further information is assessed, remedial works progress and the interpretation of fire safety regulation further evolves. This is a highly complex area with judgements and estimates in respect of the costs of the remedial works and the scope of the properties requiring remedial works changing as regulation continues to evolve. The remediation work is expected to be completed in the next 5 - 8 years and therefore the provision reflects the present value being the discounted future cash flows. We have carried out sensitivity analysis on the discount rate used in arriving at the provision estimate, and have identified a range of +/- £1.5m for each 1% point in movement.

Other provisions in the group and company include accrued preference dividends which shall not be paid until such time as the directors determine. Other provisions in the group which are not in the company include onerous leases on group properties, legal costs relating to the disposal of an interest in an overseas venture and a provision for the settlement of an HMRC enquiry. The timings of settlement of the legal costs, HMRC enquiry and preference dividends provided are uncertain.

The directors expect some reimbursement from insurance cover relating to building safety remedial works but no asset has been recognised at the balance sheet date as the receipt is not considered to be virtually certain at this time.

24 Deferred taxation

The deferred tax liability is as follows:

	Group 2023 £'000	Group 2022 £'000
Business combinations	**(404)**	(1,176)
Property revaluations	**785**	1,391
Unrealised intra-group profits	**2,236**	2,198
Other timing differences	**(122)**	(143)
	2,495	2,270

as at 31 March 2023

25 Called up share capital

	Group & Company 2023 £'000	Group & Company 2022 £'000
Authorised		
34,539,649 ordinary shares of £0.0001 each (2022 - 34,539,649)	3	3
	3	3
Called up, allotted and fully paid		
32,139,649 ordinary shares of £0.0001 each	3	3
	3	3

On 8 July 2022 the Company repurchased 1,200,000 of its ordinary shares from the Employment Benefit Trust (EBT) at £3.74 per share. On 31 March 2023 the company repurchased a further 1,200,000 of its ordinary shares from the EBT at £2.84 per share. The shares were held on trust for the exiting directors. On 24 May 2021 the company repurchased 616,435 of its own ordinary shares from an exiting shareholder at £10.38 per share. The purchases were made out of the company's distributable reserves. Shares purchased by the EBT are presented in the consolidated financial statements as a repurchase of own shares as the EBT is controlled by the group and consolidated on a line by line basis.

The number of shares held by the EBT at the balance sheet date was 5,169,771 (2022 - 3,094,771).

All shares rank pari passu in all respects.

26 Share based payments

The following share options have been granted under incentive plans for the benefit of certain employees of the group. Under Share Option Scheme 1 options are granted in shares in the parent company, vest immediately and expire in March 2024.

	Weighted average exercise price (pence) 2023	Number 2023	Weighted average exercise price (pence) 2022	Number 2022
Outstanding at beginning of the year	182	1,969,771	207	3,094,771
Surrendered during the year	-	(600,000)	(250)	(1,125,000)
Outstanding at the end of the year	**262**	**1,369,771**	**182**	**1,969,771**

Under Share Option Scheme 2 options granted vest equally over three years following the date of the grant and may be exercised up to 10 years after the date of grant, the share option plan operates subject to certain objective performance criteria as determined by the directors and subject to the approval of an offer for sale of the subsidiary undertaking in which the share option plan operates.

	Weighted average exercise price (pence) 2023	Number 2023	Weighted average exercise price (pence) 2022	Number 2022
Outstanding at beginning of the year	326	36,497	326	36,497
Outstanding at the end of the year	**326**	**36,497**	**326**	**36,497**

Options terminate under both schemes when employees leave the employment of the group.

There is no charge to the consolidated statement of other comprehensive income in respect of the issued share options under either scheme in either 2023 or 2022.

27 Acquisitions

Life At Limited

On 1 March 2021 the group acquired an additional 6.25% of the ordinary shares in Life At Limited for £932,000 in cash. Acquisition costs were £5,000. Up until that date the group's 50% interest in Life At Limited had been accounted for as a joint venture. The book value of the joint venture interest on 1 March 2021 was £2,987,000. The net book value of the assets and liabilities in Life At Limited on 1 March 2021 were £1,973,589. The goodwill arising on acquisition was £159,000.

Revenue and profit and loss from Life At Limited in the consolidated income statement in the reporting period ending 31 March 2021 since the acquisition date was not material.

On 11 August 2021 the group acquired an additional 7.75% of the ordinary shares in Life At Limited for £310,000 in cash. Acquisitions costs were £2,000. There was no material change in the net book value of the assets and liabilities in Life At Limited between 1 March 2021 and 11 August 2021. The goodwill arising on acquisition of the additional interest was £159,000.

In calculating the goodwill arising on the purchase of the additional interests, the fair value of net assets was assessed. No adjustments from book value were necessary in either transaction.

27 Acquisitions (continued)

Galliard East Grinstead Limited

On 29 September 2022 the group acquired an additional 25% of the ordinary shares in Galliard East Grinstead Limited for £1,000,000 in cash. Up until that date the group's 35% interest in Galliard East Grinstead Limited had been accounted for as a joint venture. The net book value of the assets and liabilities in Galliard East Grinstead Limited on 29 September 2022 were £8,917,000.

Cowley Property Investment Limited

On 17 November 2022 the group acquired an additional 20% of the ordinary shares (and a majority of the voting rights) in Cowley Property Investment Limited for £20 in cash. Up until that date the group's interest in Cowley Property Investment Limited had been accounted for as a joint venture. The net book value of the assets and liabilities in Cowley Property Investment Limited on 17 November 2022 were net liabilities of £534,000.

28 Contingent liabilities

	Group 2023 £'000	Group 2022 £'000
Planning overage	-	5,129

The group was party to an overage deed in respect of a planning application on a development site. The total planning overage payment due was dependent upon several variables including whether planning consent was obtained, when planning consent was obtained and on the size of the development area permitted under the planning consent being more or less favourable than currently expected. During the year planning consent was granted, however, the date on which planning consent was granted fell after the overage payment period expired and hence no further payment is due in respect to the overage deed. The overage deed required a minimum planning overage payment of £4,000,000, which was made on 31 March 2020. The directors' estimate of the total planning overage due in the prior year was £9,129,000.

Legal claims

Provision is made for the directors' best estimates of all known material legal claims and all legal actions in progress. The group takes legal advice as to the likelihood of success of claims and actions and no provision is made (other than for legal costs) where the directors consider, based on such advice, that claims or actions are unlikely to succeed, or a sufficiently reliable estimate of the potential obligations cannot be made.

The group/company had no other contingent liabilities at the balance sheet date.

29 Lease obligations

As lessee

The group's minimum operating lease payments are as follows:

	Group 2023 £'000	Group 2022 £'000
Operating leases which expire:		
Not later than 1 year	451	688
Later than 1 year and not later than 5 years	605	561
Later than 5 years	199	267
Total	1,255	1,516

The company had no commitments under non-cancellable operating leases as at the balance sheet date.

As lessor

The group leases out certain properties under non-cancellable operating leases for the following future minimum lease payments. There are no contingent rents.

	Group 2023 £'000	Group 2022 £'000
Not later than 1 year	11,211	7,301
Later than 1 year and not later than 5 years	20,090	20,027
Later than 5 years	1,102,654	940,995
Total	1,133,955	968,323

The company had no amounts receivable under non-cancellable operating leases as at the balance sheet date.

29 Capital commitments

There were no capital commitments at the year-end (2022 - £nil).

Notes forming part of the financial statements

as at 31 March 2023

30 Guarantees

The group and the company have given guarantees of varying levels to several of the bankers in their joint venture companies. The total of these guarantees was as follows:

	Group 2023 £'000	Group 2022 £'000	Company 2023 £'000	Company 2022 £'000
	42,045	62,265	**39,845**	57,865

The group's guarantees are stated net of counter-guarantees provided by certain joint venture partners of £74,434,000 (2022 - £87,777,000). Company - £72,234,000 (2022 - £83,377,000).

31 Related party transactions

The group had outstanding balances during the year with the following companies that are controlled by Mr S S Conway. The balances do not carry interest, nor are there any formal terms of repayment.

	2023 £'000	2022 £'000
Details of the outstanding balances due to/(from) the group are:		
Lancelot Management Limited	**191**	191
Real Estate Investment & Trading Limited	**1,570**	1,562
Hanson Street Properties Limited	**233**	232
Handspan Limited	**3,706**	3,708
Galliard Trading Limited	**(14)**	697
	5,686	6,390

The group had outstanding balances at the balance sheet date with Reflex Bridging Limited, a company controlled by Mr S S Conway, comprising loans from the group of £2,452,000 (2022 - £546,000) which do not carry interest and loans to the group of £41,835,000 (2022 - £16,254,000) bearing interest at rates between 6.5% and 12%.

Reflex Bridging Limited was also a participator in a number of bank loans to the group. Loans to the group under these participation arrangements outstanding at the balance sheet date were £1,776,000 bearing interest at a rate of 11.85%.

Amounts due in respect of properties owned by Mr S S Conway totalled £211,000 (2022 - £211,000).

The group had balances outstanding at the balance sheet date with Plotplan Limited, a company controlled by Mr R M Conway, Mr D E Conway and Mr G A Conway, including a loan provided by Plotplan Limited to the group of £nil (2022 - £5,188,000) to assist with working capital in respect of a development site. Interest is charged on the loan at 8% and the loan is repayable on demand. An additional balance of £196,000 (2022 - £758,000) is outstanding and owing to Plotplan Limited which does not carry interest and for which there are no formal terms of repayment. Loan repayments of £5,750,000 were made during the year.

The group had an outstanding balance owing to Flat 111 Harley House Developments Limited, a company controlled by Mrs H R Conway, of £8,000 (2022 - £8,000), an outstanding balance owing from Pointstart Limited, a company controlled by Mr D E Conway, of £35,000 (2022 - £5,000) and an outstanding balance owing from Homeprize Limited, a company over which Mr R M Conway and Mr G A Conway have joint control, of £58,000 (2022 - £58,000). The balances do not carry interest nor are there any formal terms of repayment.

The group has loans and accrued interest owing to Vinepost Limited, a company of which Mr R M Conway, Mr D E Conway and Mr G A Conway are directors, totalling £903,000 (2022 - £4,499,000). The loan outstanding at the beginning of the year of £4,499,000 was repaid during the year. The group acquired a loan of £900,000 from Vinepost Limited on acquisition of a subsidiary during the year. Interest was charged during the year on loan principals totalling £900,000 (2022 - £2,800,000) at a rate of 8% (2022 - 10%).

The group had outstanding balances during the year with the following companies that are controlled by Mr J P White. The loans do not carry interest, however the loans are expected to be repaid with a share of profits when the related development sites are sold.

	2023 £'000	2022 £'000
Details of the outstanding balances due to/(from) the group are:		
Frogmore Capital Limited	**(2,762)**	(961)
FREP 4 H3 Limited	**-**	(46)
FREP 4 H2 Limited	**250**	-
	(2,512)	(1,007)

Dividends paid to companies controlled by Mr J P White that had a non-controlling interest in members of the group were £2,534,000 (2022 - £nil).

31 Related party transactions (continued)

The following loan balances were due (to)/from directors of the group as at 31 March 2023:

	At 1 April 2022 £'000	Advanced in year 2023 £'000	Repaid in year 2023 £'000	At 31 March 2023 £'000	Highest sum outstanding during year £'000
Mr S S Conway	(318)	(1,015)	-	(1,333)	(1,333)
Mr D O'Sullivan	1,275	-	(1,275)	-	1,275
Mr D E Conway	265	5	-	270	270
Mr G A Conway	22	6	-	28	28
Mr R M Conway	2	-	(2)	-	2
Mr J M Morgan	41	-	(41)	-	41
Mr L O Johnson	(727)	-	-	(727)	(727)

Interest was charged on loans to directors at rates between 0.0% and 4.0%. With the exception of the loan to D O'Sullivan, the loans to directors were unsecured. Loans from directors do not bear interest.
The loan to D O'Sullivan was secured against shares held by him in the company.
During the year the company paid £nil (2022 - £nil) in dividends to directors who are also shareholders.
During the year the directors claimed a total of £7,559 (2022 - £12,359) in company related expenses.
No amounts are paid to any director or close family members of directors other than those disclosed elsewhere in the report.

Key management personnel

Management considers the directors represent the key management personnel of the group. Total remuneration in respect of these individuals is £4,654,000 (2022 - £12,110,000).

Amounts included in the current year reflect settlement payments of £2,244,000 (2022 - £8,338,000) to an outgoing director. Of the director's settlement payment, £2,244,000 (2022 - £1,395,050) was compensation paid to the director for termination of share options granted under the parent company's employee benefit scheme (see note 26). In addition to the settlement payment, £4,400,000 was paid to the outgoing director (2022 - £7,013,000) to repurchase shares granted to the director under the parent company's employee benefit scheme.

Joint venture and associated companies

The following transactions took place between the group and its joint venture and associated companies during the year:

	Group 2023 £'000	Group 2022 £'000
Sales of goods and services	926	60,084
	926	**60,084**

A total amount of £78,792,000 (2022 - £99,088,000) was due from joint ventures and associated undertakings. The amounts are included in the consolidated balance sheet.

Amounts distributed from joint ventures and associates are included in note 15. There were no outstanding distributions at the balance sheet date.

32 Ultimate controlling party

In the opinion of the directors the ultimate controlling party is Stephen Conway who holds more than half of the voting rights of the company.

33 Events after the reporting period

Developer Remediation

In April 2023 Galliard Homes signed a Developer Remediation Contract with the Department for Levelling Up, Housing and Communities which commits the group to addressing life-critical fire-safety issues on all apartment buildings over 11 meters that have been completed in the last 30 years, self-fund any remediation works required and reimburse any funds disbursed by the government's Building Safety Fund.

The directors have reviewed building safety standards across the group's current and historic developments and procured remediation works to address issues identified. The current best estimate of the cost of these remediation works, for which a provision has been made in the financial statements at the balance sheet date, is £30,675,000 (see note 23).

The directors will use reasonable endeavours to assess and carry out the work required in a reasonable and practicable timeframe, taking into account the reasonable interests and concerns of the leaseholders, residents, occupiers and other users of the relevant development buildings. Any such work will take into account learning over time, but involve no betterment beyond what is required to remediate and/or mitigate life critical fire-safety issues, on the basis of the agreed principles in the Developer Remediation Contract.

Sale of Life Residential

In October 2023 the group completed on the sale of the Life Residential business for a total consideration of £20,500,000. The net book value of the goodwill, assets and liabilities in the business at 31 March 2023 was £4,851,000. No adjustments have been made to amounts contained within the financial statements following the sale.

Notes forming part of the financial statements

as at 31 March 2023

34 Subsidiary undertakings, associates and joint ventures

Subsidiary undertakings	% Held	
581 & 581B Kenton Lane Limited	100%	*
Acorn & GH (RF) Limited	67%	*
AG Trinity Square Limited	100%	*
Baltimore Wharf GP Limited (Jersey)	50%	*
Baltimore Wharf SLP (Jersey)	50%	*
Bath Road Properties Limited	75%	*
Bear Lane Arches Limited	50%	*
Belsize Park Developments Limited	100%	*
Bestzone Limited	100%	*
Bluecroft Riverdale LLP	100%	*
Brentwood Developments Limited	50%	*
Brynport Limited	100%	*
Carlton House Developments Limited	100%	*
Central Living (Exeter) Limited	100%	*
Chiltern Court Properties Limited	100%	*
Choicetime Limited	100%	*
Citrus (PBishops) Durham Limited	26%	*
Contract Management Matters Limited	100%	*
Cowley Property Investment Limited	20%	*
Dalton Properties Limited	60%	*
Derby Terrace Limited	100%	*
Dewspill Limited	70%	*
Diverse (S&L) No.3 Limited (Jersey)	100%	*
Drayton Park Developments Limited	100%	*
Dreamchoice Limited	100%	*
Dunford Court Management Limited	100%	*
Evolve (Colchester) Limited	100%	*
Evolve (Milton Keynes) Limited	100%	*
Facade Investments Limited	100%	*
Felcon Blackheath Limited	75%	*
Fieldfind Limited	100%	*
Flat 3 Dunford Court Developments Limited	100%	*
Freshplant Limited	100%	*
Friars Developments Limited	100%	*
G - Living Limited	100%	*
Galliard (Cheltenham) Limited	100%	*
Galliard (Gravesend) Limited	100%	*
Galliard (Ramsey) Limited	30%	*
Galliard (Southwark) Limited	100%	*
Galliard (Strand) Limited	100%	*
Galliard Apsley EV Holdings Limited	33%	*
Galliard Caldecotte Holdco Limited	57%	*
Galliard Caldecotte Limited	57%	*
Galliard Construction Limited	100%	*
Galliard Creative Limited	100%	*
Galliard East Grinstead Limited	60%	*
Galliard Homes Limited	100%	*
Galliard Homes (Chigwell) Limited	100%	*
Galliard Homes (Towchester Road) Limited	100%	*
Galliard Homes Bulgaria Limited	100%	*
Galliard Holdings Limited	100%	#
Galliard Hotels Limited	100%	*
Galliard Investments Limited	100%	*
Galliard Residential Limited	64%	*
Galliard Spareco Limited	100%	*
Galliard Spareco 2 Limited	100%	*
Galliard Spareco 3 Limited	100%	*
Galliard Sub4 Limited	100%	*
Galliard Wavensmere (Middleway) Limited	32%	*
Galliard@Home Limited	100%	*
GDL (Creekside) Limited	52%	*
GDL (Chiswick) LLP	66%	*
GDL (Luton) Developments Limited	90%	*
GDL (Kilmorie) Limited	100%	*
GDL (Slough Developments) Limited	100%	*
GH/AH Bear Lane Limited	50%	*
GHL (Apex 1 Development) Limited	100%	*
GHL (Apex JV) Limited	80%	*
GHL (Ashford) Limited	100%	*
GHL (Aviation House) Limited	91%	*
GHL (Barrow Road) Limited	51%	*
GHL (Bath) Limited	100%	*
GHL (BPC) Limited	100%	*
GHL (Bedminster Bristol) Limited	50%	*
GHL (Berkhamsted) Limited	62%	*
GHL (Brooks Laundry) Limited	100%	*
GHL (Bristol) Limited	100%	*
GHL (Car Park Space 1) Limited	100%	*
GHL (Car Park Space 2) Limited	100%	*
GHL (Car Park Space 3) Limited	100%	*
GHL (Car Park Space 4) Limited	100%	*
GHL (Chigwell) Limited	100%	*
GHL (CLG) Limited	100%	*
GHL (Durham) Limited	34%	*
GHL (EV1) Limited	30%	*
GHL (EV2) Limited	30%	*
GHL (Finchley) Limited	51%	*
GHL (Hampshire) Limited	100%	*
GHL (Haywards Heath) Limited	100%	*
GHL (Ipswich) Developments Limited	100%	*
GHL (Kilmorie) Limited	100%	*
GHL (Leegate) Limited	100%	*
GHL (Lisburn NI) Limited	100%	*
GHL (Lisburn NI 2) Limited	100%	*
GHL (Mallorca West) Limited	100%	*
GHL (Milton Keynes) Limited	80%	*
GHL (Nine Elms) Limited	51%	*
GHL (Nine Elms) Developments Limited	51%	*
GHL (Old Gloucester Road Bristol) Limited	51%	*
GHL (Perranporth) Limited	100%	*
GHL (PG St Catherines Bristol) Limited	51%	*
GHL (Regency Hall Cheltenham) Limited	100%	*
GHL (Selly Oak) Limited	50%	*
GHL (Southall) Limited	100%	*
GHL (Stevenage) Limited	100%	*
GHL (Sunnyside) Limited	100%	*
GHL (TCRW) Limited	100%	*
GHL (Trinity Square) Limited	100%	*
GHL Chiltern Street Limited	60%	*
GHL Connectivity and Infrastructure Limited	84%	*
GHL Trinity Square LP	100%	*
GHL Trinity Square GP Limited	100%	*
GHL (Triumph Road Beckton) Limited	51%	*
GHL (Ufford St) Limited	100%	*
Gladstone Court Developments Limited	100%	*
Gladstone Holdings Limited	100%	*
GMR (Enfield) LLP	67%	*
Goodmayes 19 Limited	75%	*
Goodmayes Holdings Limited	100%	*
Goodmayes Homes Limited	100%	*
Handspot Limited	100%	*
Hankhook Limited	100%	*
Haywards Heath Developments Limited	100%	*
Hometrend Limited	100%	*
Honiton Developments Limited	100%	*
Iconshield Limited	100%	*
Indescon Court Trustee 1 Limited	100%	*
Indescon Court Trustee 2 Limited	100%	*
Isle Of Dogs Developments Limited	100%	*
Isle Of Dogs Developments 2 Limited	100%	*
Jagsport Limited	100%	*
Jessica House Developments Limited	100%	*
Jewelside Limited	100%	*
Keepstay Limited	100%	*
Kelsworth Limited	67%	*
Kewdeal Limited	67%	*
Kilmorie Investments LLP	100%	*
Kilmorie Properties Limited	100%	*
Kitewood (Creekside) Limited	39%	*
Lastzone Limited	100%	*
Leonardo Investments Limited	100%	*
Life At Limited	64%	*
Life at Parliament View Limited	64%	*
Lionstar Limited	100%	*
Lodgeshine Limited	100%	*
Ludgate Broadway Limited	100%	*
Liftzone Limited	100%	*
Metrosold Limited	100%	*
Millharbour Developments Limited	100%	*
Mill Link Developments Limited	100%	*
NCQ Developments Limited	100%	*
Neptune Works Limited	100%	*
Netcircle Limited	100%	*
Nileford Limited	100%	*
Norlington Road developments limited	100%	*
Northwood Street Limited	50%	*
Northwood Street 2 Limited	50%	*
Novagrade Limited	100%	*
Oracle (Indescon) Limited	100%	*
Orchid Capital (PCC) Limited (Guernsey)	100%	*
Ovingdean Hall College Limited	100%	*
Paddington Street GP Limited (Jersey)	60%	*
Paddington Street LP (Jersey)	60%	*
Paddington Street Nominee Limited (Jersey)	60%	*
Pingrade Limited	50%	*
Plainseal Limited	100%	*
Plutus (Ipswich) Limited	100%	*
Prestage Developments Limited	100%	*
Property Management Matters Limited	80%	*
Quickdrop Limited	100%	*
Quickdrop (Holdco) Limited	100%	*
Raceguide Limited	100%	*
Regalzest Limited	67%	*
Red Lion Court Developments Limited	100%	*
Raphael Investments Limited	100%	*
Resi Developments Limited	64%	*
Redbridge Regeneration Limited	100%	*
Ridgeton Limited	67%	*
Risedale Properties Limited	50%	*
Roamquest Limited	100%	*
Rosebery House Developments Limited	100%	*
Safety Management Matters Limited	100%	*
Sandy Lane Oxford Limited	100%	*
Sarena Holdings Limited	100%	*
Shanghai LeJia Real Estate Consultant Co., Ltd (China)	100%	*
Shenley Developments Limited	100%	*
Shore Waters Management Company Limited	100%	*
Signature Resorts Limited	100%	*
Signature Resorts (UK) Limited	71%	*
Soho Loop Development Limited	50%	*
St Edwards Court (Romford) Limited	100%	*
Starbones Limited	53%	*
Stratford High Street Ventures Limited	75%	*
Stratford High Street Limited	75%	*
Swingdeal Limited	100%	*
Tallack Road Developments Limited	100%	*
The Commuter Property Club Limited	100%	*
The Property Club Holdings Limited	100%	#
Thorney Leys Developments Limited	100%	*
Triland (Chiltern Street) Limited	60%	*
Vitalcharm Limited	100%	*
Wapping Riverside Limited	100%	*
Workout Limited	100%	*
Zerodown Limited	100%	*

Joint Ventures

	% Held	
Across World UK Limited	50%	*
Ailsa Wharf Developments Limited	20%	*
Anchor Road (Bristol) Limited	50%	*

All shares held in associates and joint ventures are ordinary shares, unless otherwise stated

directly held
* indirectly held

34 Subsidiary undertakings, associates and joint ventures (continued)

Joint Ventures continued

Subsidiary undertakings	% Held	
Baltimore Wharf Ground Rent Limited (Jersey)	50%	*
Baltimore Wharf UK (GP) Limited	50%	*
Brooks Laundry LLP	50%	*
Castillo Limited	50%	*
Castillo Holdco Limited	50%	*
Caxton Works Developments Limited	50%	*
Citiglen Limited	50%	*
Cliffgold Limited	50%	*
Diamondpool Limited	21%	*
Dreamchoice Limited	25%	*
Finchley Road (Smiths) Limited	50%	*
GDL Holdco Limited	50%	#
GHL (Brook Road) Limited	50%	*
GHL (Crescent Lane) Limited	50%	*
GHL (Eagle Wharf Rd) Limited	20%	*
GHL (Hackney Wick) Limited	30%	*
Goldenmill Limited	49%	*
Greenwich High Road Management Limited	30%	*
Haylink Limited	45%	*
Heartpride Limited	33%	*
Hold Land London Limited	30%	*
Hope House (Bath) Limited	50%	*
Land & Site Acquisitions Limited	25%	*
Limetown Limited	9.0%	*
Markhome Limited	50%	*
Maxillia Properties Limited	50%	*
GHL (Wickside) Limited	30%	*
Merton Acquisitions Limited	50%	*
Netlink Limited	49%	*
New Road (Crouch End) Limited	25%	*
Packamist Limited	30%	*
Parkview House Developments Limited	33%	*
Pentire Pavilions Limited	50%	*
Perranporth Developments Limited	50%	*
Pershore Street Limited	38%	*
Redington Developments (Apsley) Limited	45%	*
Reefmark Limited	50%	*
Romney House Developments Limited	50%	*
Sarena House LLP	50%	*
Shiplake Meadows Limited	49%	*
Stamford Hounslow Limited	30%	*
Stonebond Trotton Limited	50%	*
Taskcove Limited	39%	*
The Cut Developments Limited	50%	*
Transhorn Limited	50%	*
Tudor Square Limited	50%	*
Windora Limited	49%	*

Associates

	% Held	
Broadside Holdings Limited	20%	*
Chester Real Estate Limited	50%	*
DVS GHL Basildon Limited	23%	*
Galliard Estates Limited	50%	*
GHL (Whitby) Limited	40%	*
Haresfoot Limited	20%	*
Kingsbridge Property Developments Limited	33%	*
The Stage Shoreditch LLP	16%	*
Yolkstone Limited	25%	*

directly held
* indirectly held

All subsidiary undertakings, associates and joint ventures are registered at 3rd floor, Sterling House, Langston Road, Loughton, IG10 3TS with the exception of the following:

Stamford Hounslow Limited	3rd Floor, Paternoster House, 65 St Paul's Churchyard, London, EC4M 8AB
Life At Limited	Regina House, 124 Finchley Road, London, NW3 5JS
Pentire Pavilions Limited	Bridge House, 4 Borough High Street, London, SE1 9QR
Romney House Developments Limited	11-15 Wigmore Street, London, W1A 2JZ
Ailsa Wharf Developments Limited	119 High Street, Loughton, IG10 4LT
Hope House (Bath) Limited	Bridge House 4 Borough High Street, London, SE1 9QR
New Road (Crouch End) Limited	Bridge House 4 Borough High Street, London, SE1 9QR
The Cut Developments Limited	Bridge House 4 Borough High Street, London, SE1 9QR
Drayton Park Developments Limited	11-15 Wigmore Street, London, WIA 2JZ
GHL (Eagle Wharf Rd) Limited	28 Manchester Street, London, W1U 7LF
Markhome Limited	50 Lancaster Road, Enfield, Middlesex, EN2 0BY
One Lusty Glaze Limited	Bridge House, 4 Borough High Street, London, SE1 9QR
Vasthouse Limited	28 Manchester Street, London, W1U 7LF
Orchid Capital (PCC) Limited	Mont Crevelt House, Bulwer Avenue, St. Sampson, Guernsey, GY2 4LH
Shanghai LeJia Real Estate Consultant Co., Ltd	Room 2705, Block 2 of Office Building, No. 1539, Nanjing West Road, Jing'an District, Shanghai
Across World UK Limited	Circle Line House, 8 East Road, Harlow, Essex, CM20 2BJ
Land & Site Acquisitions Limited	1345 High Road, London N20 9HR
Broadside Holdings Limited	64 New Cavendish Street, London, England, W1G 8TB
Hold Land London Limited	1345 High Road, London N20 9HR
Paddington Street GP Limited	1 IFC St Helier, Jersey, JE2 3BX
Paddington Street LP	1 IFC St Helier, Jersey, JE2 3BX
Paddington Street Nominee Limited	1 IFC St Helier, Jersey, JE2 3BX
Baltimore Wharf SLP	1st Floor 2 Mulcaster Street, St Helier, Jersey, JE2 3NJ
Baltimore Wharf Ground Rent Limited	1st Floor 2 Mulcaster Street, St Helier, Jersey, JE2 3NJ
Baltimore Wharf GP Limited	1st Floor 2 Mulcaster Street, St Helier, Jersey, JE2 3NJ
Northwood Street Limited	6 Grosvenor Street, London, W1K 4PZ
Northwood Street 2 Limited	6 Grosvenor Street, London, W1K 4PZ

Look through results (unaudited)

as at 31 March 2023

The following note is for information purposes only and does not form part of the audited accounts. It presents the group results on a "look through" basis by reversing the equity accounting adjustments, removing non-controlling interests and including the group's share of associate and joint venture interests on a line by line basis. The directors consider this non-GAAP presentation to be a meaningful measure of the group's results.

	Equity accounting basis £'000	Equity accounting adjustment £'000	Joint ventures £'000	Associated undertakings £'000	Non-controlling interests £'000	Look-through basis £'000
Consolidated income statement 2023						
Turnover	**167,120**	**(1,490)**	**82,033**	**1,838**	**(60,280)**	**189,221**
- Construction	*2,293*	*(1,490)*	*-*	*-*	*-*	*803*
- Developments	*164,827*	*-*	*82,033*	*1,838*	*(60,280)*	*188,418*
Cost of sales	**(180,112)**	**1,490**	**(67,240)**	**(1,887)**	**57,476**	**(190,273)**
- Construction	*(175)*	*1,490*	*-*	*-*	*-*	*1,315*
- Developments	*(179,937)*	*-*	*(67,240)*	*(1,887)*	*57,476*	*(191,588)*
Gross profit	**(12,992)**	**-**	**14,793**	**(49)**	**(2,809)**	**(1,052)**
- Construction	*2,118*	*-*	*-*	*-*	*-*	*2,118*
- Developments	*(15,110)*	*-*	*14,793*	*(49)*	*(2,804)*	*(3,170)*
Overheads	(17,110)	(4,534)	223	(26)	(523)	(21,970)
Other operating income	48,243	4,534	4,102	1,243	(10,307)	47,815
Other operating expenses	(57,651)	-	23,335	(1,359)	14,047	(21,628)
Profit from the disposal of assets	248	-	14,712	-	-	14,960
Fair value through profit or loss on derivatives	1,444	-	-	-	-	1,444
(Losses)/gains from fair value changes in investment properties	(2,072)	-	-	-	-	(2,072)
Group operating (loss)/profit	**(39,890)**	**-**	**57,165**	**(191)**	**413**	**17,497**
Share of profit/(loss) in:						
Joint ventures	53,536	(53,536)	-	-	-	-
Associates	(4,584)	4,584	-	-	-	-
	48,952	**(48,952)**	**-**	**-**	**-**	**-**
Interest receivable and similar income	(73)	-	106	-	(1,208)	(1,175)
Interest payable and similar charges	(21,797)	-	(1,132)	(4,361)	8,812	(18,478)
Profit on ordinary activities before taxation and exceptional charges	**(12,808)**	**(48,952)**	**56,139**	**(4,552)**	**8,017**	**(2,156)**
Exceptional costs	-	-	-	-	-	-
Profit on ordinary activities before taxation	**(12,808)**	**(48,952)**	**56,139**	**(4,552)**	**8,017**	**(2,156)**
Tax on profit on ordinary activities	(4,140)	-	(2,603)	(32)	1,060	(5,715)
Profit for the financial year	**(16,948)**	**(48,952)**	**53,536**	**(4,584)**	**9,077**	**(7,871)**
Non-controlling interests	9,077	-	-	-	(9,077)	-
Profit for the financial year attributable to owners of the parent	**(7,871)**	**(48,952)**	**53,536**	**(4,584)**	**-**	**(7,871)**
Gross profit margin	**0.0%**		**18.0%**			**0.0%**
- Construction	*92.4%*		*0.0%*			*263.8%*
- Developments	*0.0%*		*18.0%*			*0.0%*
Operating margin	**0.0%**		**69.7%**			**9.2%**

	Equity accounting basis £'000	Equity accounting adjustment £'000	Joint ventures £'000	Associated undertakings £'000	Non-controlling interests £'000	Look-through basis £'000
Consolidated income statement 2022						
Turnover	**203,776**	**(12,580)**	**138,887**	**-**	**(55,757)**	**274,326**
- Construction	*57,816*	*(12,580)*	*-*	*-*	*-*	*45,236*
- Developments	*145,960*	*-*	*138,887*	*-*	*(55,757)*	*229,090*
Cost of sales	**(179,164)**	**13,292**	**(118,942)**	**(479)**	**50,759**	**(234,534)**
- Construction	*(47,678)*	*12,580*	*-*	*-*	*-*	*(35,098)*
- Developments	*(131,486)*	*712*	*(118,942)*	*(479)*	*50,759*	*(199,436)*
Gross profit	**24,612**	**712**	**19,945**	**(479)**	**(4,998)**	**39,792**
- Construction	*10,138*	*-*	*-*	*-*	*-*	*10,138*
- Developments	*14,474*	*712*	*19,945*	*(479)*	*(4,998)*	*29,654*
Overheads	(21,183)	-	(2,273)	(17)	75	(23,398)
Other operating income	35,980	(712)	3,087	1,204	(7,921)	31,638
Other operating expenses	(22,313)	-	(3,941)	(645)	9,879	(17,020)
Profit from the disposal of assets	9,196	-	-	-	-	9,196
Gains from fair value changes in investment properties	1,996	-	-	-	-	1,996
Group operating profit/(loss)	**28,288**	**-**	**16,818**	**63**	**(2,965)**	**42,204**
Share of profit/(loss) in:						
Joint ventures	3,865	(3,865)	-	-	-	-
Associates	(2,460)	2,460	-	-	-	-
	1,405	**(1,405)**	**-**	**-**	**-**	**-**
Interest receivable and similar income	3,599	-	14	-	(3,841)	(228)
Interest payable and similar charges	(13,529)	-	(10,315)	(2,627)	7,380	(19,091)
Profit on ordinary activities before taxation and exceptional charges	**19,763**	**(1,405)**	**6,517**	**(2,564)**	**574**	**22,885**
Exceptional costs	-	-	-	-	-	-
Profit on ordinary activities before taxation	**19,763**	**(1,405)**	**6,517**	**(2,564)**	**574**	**22,885**
Tax on profit on ordinary activities	(3,016)	-	(2,652)	104	232	(5,332)
Profit for the financial year	**16,747**	**(1,405)**	**3,865**	**(2,460)**	**806**	**17,553**
Non-controlling interests	806	-	-	-	(806)	-
Profit for the financial year attributable to owners of the parent	**17,553**	**(1,405)**	**3,865**	**(2,460)**	**-**	**17,553**
Gross profit margin	**12.1%**		**14.4%**			**14.5%**
- Construction	*17.5%*		*0.0%*			*22.4%*
- Developments	*9.9%*		*14.4%*			*12.9%*
Operating margin	**13.9%**		**12.1%**			**15.4%**

Look through results (unaudited)

as at 31 March 2023

The following note is for information purposes only and does not form part of the audited accounts. It presents the group net assets and equity attributable to owners of the parent on a "look through" basis by reversing the equity accounting adjustments, removing non-controlling interests and including the group's share of associate and joint venture interests on a line by line basis. The directors consider this non-GAAP presentation to be a meaningful measure of the group's net assets and equity attributable to owners of the parent.

Consolidated net assets 2023	Equity accounting basis £'000	Equity accounting adjustment £'000	Joint ventures £'000	Associated undertakings £'000	Non-controlling interests £'000	Look-through basis £'000
Intangible assets - negative goodwill	(3,084)	-	-	-	-	(3,084)
Intangible assets - positive goodwill	2,360	-	-	-	-	2,360
Tangible fixed assets	25,495	-	-	6	(313)	25,188
Fixed asset investments	70,407	(67,616)	-	-	(44)	2,747
	95,178	**(67,616)**	**-**	**6**	**(357)**	**27,211**
Current asset investments	238	-	-	-	-	238
Stocks	518,720	-	-	95,594	(152,333)	461,981
Debtors	97,881	-	-	612	47,033	145,526
Cash at bank and in hand	85,995	-	-	659	(9,315)	77,339
	702,834	**-**	**-**	**96,865**	**(114,615)**	**685,084**
Creditors: amounts falling due within one year	**(352,185)**	**-**	**-**	**(66,433)**	**83,113**	**(335,505)**
Net current assets	350,649	-	-	30,432	(31,502)	349,579
Total assets less current liabilities	445,827	(67,616)	-	30,438	(31,859)	376,790
Creditors due in more than one year	(111,876)	-	41,932	(4,476)	26,019	(48,401)
Provisions for liabilities	(39,617)	-	(278)	-	151	(39,744)
Net assets	**294,334**	**(67,616)**	**41,654**	**25,962**	**(5,689)**	**288,645**
Non-controlling interests	(5,689)	-	-	-	5,689	-
Equity attributable to owners of the parent	**288,645**	**(67,616)**	**41,654**	**25,962**	**-**	**288,645**

Consolidated net assets 2022 *Restated	£'000	£'000	£'000	£'000	£'000	£'000
Intangible assets - negative goodwill	(3,141)	-	-	-	-	(3,141)
Intangible assets - positive goodwill	2,657	-	-	-	-	2,657
Tangible fixed assets	25,265	-	1	11	(303)	24,974
Fixed asset investments	116,158	(112,817)	-	-	(44)	3,297
	140,939	**(112,817)**	**1**	**11**	**(347)**	**27,787**
Current asset investments	261	-	-	-	-	261
Stocks	410,788	-	162,359	91,583	(99,292)	565,438
Debtors	100,249	-	9,733	842	27,057	137,881
Cash at bank and in hand	40,129	-	8,179	2,688	(13,139)	37,857
	551,427	**-**	**180,271**	**95,113**	**(85,374)**	**741,437**
Creditors: amounts falling due within one year	**(238,672)**	**-**	**(75,229)**	**(6,738)**	**36,948**	**(283,691)**
Net current assets	312,755	-	105,042	88,375	(48,426)	457,746
Total assets less current liabilities	453,694	(112,817)	105,043	88,386	(48,773)	485,533
Creditors due in more than one year	(120,261)	-	(22,393)	(58,219)	35,180	(165,693)
Provisions for liabilities	(13,850)	-	-	-	-	(13,850)
Net assets	**319,583**	**(112,817)**	**82,650**	**30,167**	**(13,593)**	**305,990**
Non-controlling interests	(13,593)				13,593	-
Equity attributable to owners of the parent	**305,990**	**(112,817)**	**82,650**	**30,167**	**-**	**305,990**

* Prior year balances have been restated to reflect certain construction services provided during the year (that were invoiced after the balance sheet date) correctly within stock, accrued income and accrued costs. See note 1.1 for details.

The Stage • Shoreditch

Directors

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J P White
D E Conway
J M Morgan
(resigned 31 May 2022)
P L Huberman
L O Johnson
G A Conway
R M Conway
J C Brand

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