Abbey plc

2019 ANNUAL REPORT

REPORT

ACCOUNTS

The Company's 82nd Annual General Meeting will be held

on Friday, 4th October, 2019

at The Grand Hotel, Malahide, Co. Dublin

at 10:30 a.m.

Results in Brief

	Expressed in €'000 (except per share data)		£'000 Sterling Equivalent (except per share data)	
	2019	2018	**2019**	2018
Revenue	**230,899**	218,462	**203,468**	193,142
Profit before taxation	**53,026**	58,628	**46,727**	51,833
Profit attributable to equity shareholders of the parent	**43,196**	48,929	**38,064**	43,258
Earnings per share	**201.48c**	228.22c	**177.54p**	201.77p
Dividends paid per share	**119c**	17c	**104.86p**	15.03p
Assets per share	**1,710c**	1,595c	**1,470p**	1,339p
Gearing	**Nil**	Nil	**Nil**	Nil

For the purpose of the above the following translation rates have been used for the Income Statement:

2018 €100c : STG 88.41p
2018 €100c : CZK 2,580.69h

2019 €100c : STG 88.12p
2019 €100c : CZK 2,574.64h

The rates used for conversion of Balance Sheet items are the rates at 30 April 2018 and 30 April 2019:

2018 €100c : STG 87.70p
2018 €100c : CZK 2,554.70h

2019 €100c : STG 85.97p
2019 €100c : CZK 2,564.60h

The year ended 30 April 2019 proved to be another year of consolidation for the Group.

The Group reports a profit of €53.0 million before taxation against a profit of €58.6 million in the previous year. Shareholders' funds of €366.6 million represent €17.10 per share and include cash balances (including restricted cash) of €99.1 million. Earnings for the year were 201.48 cents per share and the Board is recommending a dividend of 11.00 cents per share for approval at the Annual General Meeting in October.

HOUSEBUILDING

Our housebuilding operations completed 579 sales (UK 511, Ireland 36, CZK 32) with a turnover of €209.1 million generating an operating profit of €48.0 million.

United Kingdom: Trading in the UK continued at good levels throughout the period. Sales held up well supported by the 'Help to Buy' programme. Margins are falling back from the elevated levels of recent years. The forward order book is good. Production has been satisfactory however costs, including regulatory costs, sub-contract labour and materials have risen steadily. The UK landbank closed this year just short of 2,000 plots. In recent months we have experienced a disappointing succession of planning decisions that have delayed the start of a number of new projects. As a result UK turnover is expected to fall this year. Lower turnover together with lower margins will reduce the division's contribution to Group results.

Ireland: In Ireland gradual progress is being made towards our goal of boosting activity. Sales in Dunshaughlin and Cabinteely have gone well over the last 6 months. Our next project in Navan will launch in September. Together these projects will ensure a significant jump in output this year. Further projects are being actively pursued. Stable prices together with rising costs are a challenging backdrop for the business.

Czechia: In Czechia our project in Přezletice has gone well. Our large apartment scheme in Horoměřice is now under construction and the first forward sales have been achieved.

At the year end the Group owned and controlled land allocated for housing development for the supply of 2,924 plots.

PLANT HIRE

M & J reported operating profits of €3.6 million on a turnover of €20.5 million. Trading was consistent throughout the period. The fleet has been maintained to a high standard and further significant investment in new equipment was made during the year. Market conditions are intensely competitive. Over recent weeks turnover is slightly behind last year.

RENTAL INCOME

Rental income during the year was €1.2m. An investment property was sold during the year and produced a gain of €0.2 million (2018: Nil).

CASH

The Group held €97.1 million in cash at the end of the financial year. On the balance sheet date commitments outstanding on land were €26.4 million.

SHARE BUYBACK

Further to the authority granted at the Annual General Meeting on 5 October 2018 the company has purchased, after the financial year end, for cancellation 20,000 ordinary shares at a cost of €293,000.

DIRECTORS, MANAGEMENT AND STAFF

Ms Avril Gallagher was appointed to the board on 23 January 2019.

The progress of the Group is a result of the combined effort of all the employees. I, on behalf of the shareholders, thank my colleagues on the Board together with all the directors, management and staff for their hard work and efforts during the year.

FUTURE

The Group is trading profitably in the current year. A lower UK housing contribution this year will likely materially impact overall Group profit. The outlook continues to be uncertain. House prices are broadly stable however costs continue to rise. The regulatory environment is constantly evolving with initially at least a negative impact on productivity. Credit conditions for customers remain tight and the 'Help to Buy' schemes in both the UK and Ireland are supporting many of our buyers. The abrupt withdrawal of 'Help to Buy' would have a material impact on our business. Overall however the Group is in a healthy financial position and will continue to seek out opportunities to build new homes in all its markets.

ANNUAL GENERAL MEETING

I look forward to seeing you all at our Annual General Meeting on 4 October 2019.

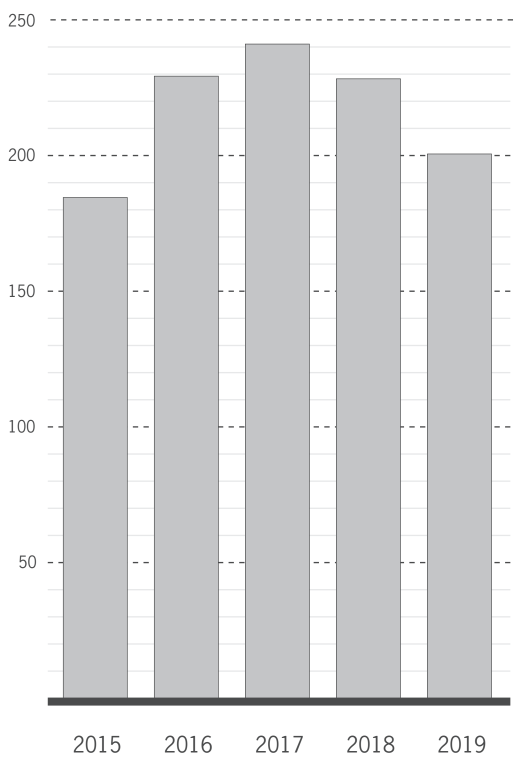
On behalf of the Board

CHARLES H. GALLAGHER
EXECUTIVE CHAIRMAN

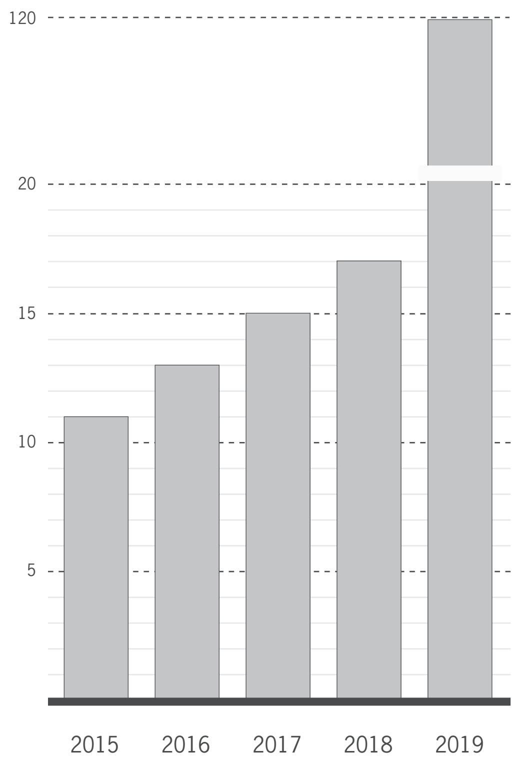
Five Year Financial Summary

	2019 €'000	2018 €'000	2017 €'000	2016 €'000	2015 €'000
Revenue	**230,899**	**218,462**	216,473	220,603	172,462
Operating profit	**52,959**	**58,503**	60,797	60,834	46,328
Net interest receivable	**68**	**128**	2,667	706	2,781
Other finance charges	**(1)**	**(3)**	(6)	(1)	–
Profit before taxation	**53,026**	**58,628**	63,458	61,539	49,109
Income tax expense	**(9,830)**	**(9,699)**	(11,626)	(12,071)	(9,498)
Profit attributable to equity shareholders of the parent	**43,196**	**48,929**	51,832	49,468	39,611
Earnings per share – basic and diluted	**201.48c**	**228.22c**	241.04c	229.81c	184.02c
Dividends paid per share	**119.00c**	**17.00c**	15.00c	13.00c	11.00c
Shareholders' funds	**366,609**	**342,010**	308,365	281,317	246,957

Earnings Per Share
(Euro Cents)
Basic and Diluted



Dividends Paid Per Share
(Euro Cents)



Group Information

ABBEY PLC
Reg. No. 9245 Republic of Ireland

AUDITORS
Ernst & Young, Chartered Accountants
and Registered Auditors

SECRETARY & REGISTERED OFFICE
David J. Dawson CA, 25/28 North Wall Quay, Dublin 1

BANKERS
Allied Irish Banks plc
Barclays Bank plc
Komerční banka, a.s.

REGISTRAR AND TRANSFER OFFICE
Computershare Investor Services (Ireland) Limited
3100 Lake Drive, Citywest Business Campus
Dublin 24, D24 AK82

SOLICITORS
A&L Goodbody

STOCKBROKERS
Davy Stockbroker
Arden Partners

NOMINATED ADVISOR
J&E Davy, trading as Davy

TRADING PLATFORMS
Euronext Growth — Dublin
Alternative Investment Market — London

Financial Diary

PRELIMINARY STATEMENT
11 July 2019

ANNUAL REPORT
16 August 2019

ANNUAL GENERAL MEETING
4 October 2019

INTERIM STATEMENT
December 2019

Board of Directors

CHARLES H. GALLAGHER (59) M.A., MSc.
A Director of Abbey plc since 1986, Mr. Charles Gallagher was appointed Executive Chairman in May 1993. He is a past president of the H.B.F. (UK House Builders Federation). Mr. Gallagher is also a director of a number of other companies including Gallagher Holdings Limited, Matthew Homes Limited and Charles Wilson Engineers Limited.

LORENZO G. FRAQUELLI (61) (BRITISH)
BSc (Civil Eng) MICE
Mr. Fraquelli joined the Abbey Group in January 2007 and is Managing Director of Abbey Developments Limited. He was co-opted to the Abbey plc Board in November 2009. He holds no other directorships other than those within Abbey plc and its subsidiaries.

NICK J. COLLINS (50) (BRITISH) B.A. HONS, ACA, Dip IoD
Mr. Collins joined the Abbey Group in 1998 and is Managing Director of Kingscroft Developments Limited. He was co-opted to the Abbey plc Board in December 2015. He holds no other significant directorships other than those within Abbey plc and its subsidiaries.

DAVID A. GALLAGHER • Δ (58) B.A., MSc.
(NON-EXECUTIVE)
Mr. Gallagher was appointed to the Abbey plc Board in May 1993. Mr. Gallagher is a director of a number of other companies including Gallagher Holdings Limited, Matthew Homes Limited and Charles Wilson Engineers Limited.

ROBERT N. KENNEDY • Δ (66) (BRITISH) BSc (Econ)
(NON-EXECUTIVE)
Mr. Kennedy joined the Abbey Group in 1996 and was Managing Director of M&J Engineers Limited until April 2014. He was co-opted to the Abbey plc Board in December 1997. He holds no other directorships other than those within Abbey plc and its subsidiaries.

MICHAEL A. MCNULTY • Δ (73) FCA, F INST D, AITI
(NON-EXECUTIVE)
Mr. McNulty was appointed a non-executive director of the Group in December 2011. He is a former Senior Audit Partner of Ernst & Young in Ireland, together with being the previous head of their Corporate Finance Division. Mr McNulty previously served as a non-executive director on such companies as Irish Payments Services Organisation Limited, An Post Limited, Temple Bar Properties Limited and University College Dublin Foundation Limited and he is a former Chairman of The Pensions Board of Ireland.

ANTHONY G. QUIRKE • Δ (64) B.A. HONS, MCSI
(NON-EXECUTIVE)
Mr. Quirke was appointed a non-executive director of the Group in December 2014. He is a Director equity sales at Allenby Capital Limited and was formerly a Corporate Sales Director at finnCap, an Equity Sales Director at Arden Partners and Sales Director at Investec before that. He holds no other directorships other than Abbey plc.

AVRIL M. GALLAGHER • Δ (53) B.A. HONS, Politics
(NON-EXECUTIVE)
Ms. Gallagher was co-opted to the Abbey plc Board in January 2019. Ms. Gallagher is a director of Oxford Gate Management Limited and Matthew Investments Limited. She holds no other directorships within Abbey plc and its subsidiaries.

(•) Member of Audit Committee
(Δ) Member of Remuneration Committee

The directors submit herewith their report and audited financial statements for the year ended 30 April 2019 for Abbey plc which are set out on pages 23 to 56.

PRINCIPAL ACTIVITIES AND REVIEW OF THE DEVELOPMENTS OF THE BUSINESS

The Group's principal activities are building and property development, plant hire and property rental.

In the year under review the profit after taxation amounted to €43,196,000 (2018: €48,929,000). Dividends of 119.00 cents per share, absorbing €25,513,000 of profit have been paid during the year. After other movements as detailed in the "Group Statement of Comprehensive Income" and "Group Statement of Changes in Equity" the net assets of the Group increased from €342,010,000 to €366,609,000.

As disclosed in note 13, dividends of 10.00 cents per share were paid on 31 October 2018, 100.00 cents per share on 31 January 2019 and 9.00 cents per share were paid on 30 April 2019. The directors are recommending a dividend of 11.00 cents per share to be considered for approval at the Annual General Meeting in October 2019.

A list of principal undertakings and the nature of their business is contained in note C13 to the Company balance sheet. Geographic and divisional analysis and segmental information is given in note 7 to the financial statements.

KEY PERFORMANCE INDICATORS

Measurement of the Group's performance is consistently applied and control is exercised by Group and divisional management. The Group uses the following key performance indicators to evaluate its performance:

1. *Financial Performance Compared to Budget*

   The Group has a budgeting system in place whereby actual performance is measured against budget, both financial and non-financial, on a monthly reporting timetable.
2. *Unit Reservations*

   The Group reviews the weekly net house sales reservations and weekend site visitor numbers.
3. *Development Site Profit Margin*

   The Group evaluates the gross profit margin of each development site on a monthly basis.
4. *Machine Count*

   The Group reviews the machine count for each plant hire depot on a weekly basis.

BUSINESS REVIEW

Our housebuilding operations completed 579 sales (UK 511; Ireland 36; CZK 32) with revenue of €209.1 million generating an operating profit of €48.0 million. The comparative figures for the previous year were 606 sales (UK 524; Ireland 75; CZK 7) with revenue of €197.8 million generating an operating profit of €54.3 million. Trading in the UK continued at good levels throughout the period. Sales held up well supported by the 'Help to Buy' programme. Margins are falling back from the elevated levels of recent years. The forward order book is good. Production has been satisfactory however costs, including regulatory costs, sub-contract labour and materials have risen steadily. The UK landbank closed this year just short of 2,000 plots. In recent months we have experienced a disappointing succession of planning decisions that have delayed the start of a number of new projects. As a result UK turnover is expected to fall this year. Lower turnover together with lower margins will reduce the division's contribution to Group results. In Ireland gradual progress is being made towards our goal of boosting activity. Sales in Dunshaughlin and Cabinteely have gone well over the last 6 months. Our next project in Navan will launch in September. Together these projects will ensure a significant jump in output this year. Further projects are being actively pursued. Stable prices together with rising costs are a challenging backdrop for the business. In Czechia our project in Přezletice has gone well. Our large apartment scheme in Horoměřice is now under construction and the first forward sales have been achieved.

Our plant hire division reported operating profit of €3.6 million (2018: profit €3.0 million) on revenue of €20.5 million (2018: €19.5 million). Trading was consistent throughout the year. The fleet has been maintained to a high standard and further significant investment in new equipment was made during the year. Market conditions are intensely competitive. Over recent weeks turnover is slightly behind last year.

Rental income during the year was €1.2 million (2018: €1.2 million). An investment property was sold during the year and produced a gain of €0.2 million (2018 Nil).

At the year end total equity stood at €366.6 million (2018: €342.0 million), whilst net cash balances and restricted cash stood at €99.1 million (2018: €82.8 million).

IMPORTANT EVENTS SINCE THE YEAR END

Further to the authority granted at the Annual General Meeting on 5 October 2018 the company has purchased, after the financial year end, for cancellation 20,000 ordinary shares at a cost of €293,000.

PRINCIPAL RISKS AND UNCERTAINTIES

Irish Company law requires the Group to give a description of the principal risks and uncertainties which it faces. Abbey plc's business, in which it is engaged, is constantly evolving and the list below of the principal risks and uncertainties for the Group are constantly changing:

- The Group is engaged in speculative development, which is by its nature highly risky. Occasional substantial losses are a cyclical feature of its business.
- The Group operates in a very competitive market and therefore it is essential that the Group continues to compete successfully.
- Any reduction in economic growth in the countries in which the Group operates may adversely affect the Group's revenue and margins.
- The Group's performance will be affected by fuel and raw material prices and the cyclical changes of the producers of these raw materials.
- The Group is subject to substantial laws, regulations and standards such as environmental, health and safety and building regulations, which could result in additional costs related to compliance with these laws and regulations.
- At present the Group operates in three currencies and adverse changes in foreign exchange rates relative to the euro could adversely affect the Group's financial performance.
- Any adverse economic interest rate changes will impact on the Group.

DIRECTORS

The following directors all held office throughout the year:

- Mr Charles H. Gallagher
- Mr Lorenzo G. Fraquelli
- Mr Nick J. Collins
- Mr Anthony G. Quirke
- Mr Michael A. McNulty
- Mr David A. Gallagher
- Mr Robert N. Kennedy

Mr David A. Gallagher retires in accordance with Article 98 of the Company's Articles of Association and will be offering himself for re-election.

Ms Avril M. Gallagher was appointed as a non-executive director on 23 January 2019 and will offer herself up for election in accordance with Article 87 of the Company's Articles of Association.

DIRECTORS' AND SECRETARY'S INTERESTS

The interests of the directors and secretary and their families in the share capital of the Company as at 30 April 2019 were as follows:

	Number of Shares 2019	Number of Shares 2018
Charles H. Gallagher	**25,500**	25,500
David A. Gallagher	**3,000**	3,000

None of the directors hold shares in a non-beneficial capacity and no changes occurred in the above holdings between 30 April 2019 and 10 July 2019, There have not been any contracts or arrangements with the Company or any subsidiary during the year to which a director of the Company had a material interest and which have been significant in relation to the Group's business.

SUBSTANTIAL SHAREHOLDERS

Having received the required notifications, the following held more than 3% of the issued ordinary shares as at 10 July 2019:

	Number of shares	% of issued share capital
Gallagher Holdings Limited	17,557,830	81.97%
FMR LLC	2,141,927	9.99%

DIRECTORS COMPLIANCE STATEMENTS

As required by Section 225 of the Companies Act 2014, the directors acknowledge that they are responsible for securing the company's compliance with its “relevant obligations”. The directors further confirm that the appropriate arrangements and structures have been put in place that are, in the directors' opinion, designed to secure material compliance with the relevant obligations. A review of those arrangements and structures has been conducted in the financial year to which this report relates.

RELEVANT AUDIT INFORMATION

The directors believe that they have taken all the steps necessary to make themselves aware of any relevant audit information and have established that the company's statutory auditor is aware of that information. In so far as they are aware, there is no relevant audit information of which the company's statutory auditor is unaware.

AUDIT COMMITTEE

The Group has established an Audit Committee with responsibility for oversight of the financial reporting process, the audit process, the system of internal controls and compliance with laws and regulations.

ACCOUNTING RECORDS

The measures that the directors have taken to secure compliance with the requirements of sections 281 to 285 of the Companies Act 2014, with regard to the keeping of accounting records, include the provision of appropriate resources to maintain adequate accounting records throughout the Group, including the appointment of personnel with appropriate qualifications, experience and expertise.

The books and accounting records of the Company are maintained at Abbey House, 2 Southgate Road, Potters Bar, Hertfordshire, EN6 5DU, England. Returns are made to the registered office in accordance with Section 283 (2) of the Companies Act 2014.

CORPORATE SOCIAL RESPONSIBILITY

We are fully committed to operating ethically and responsibly in relation to employees, customers, neighbours and all other stakeholders.

- **Employees:** The Board together with the directors, thank the management and staff for their hard work and efforts during the year. The average number of employees during the year is set out in note 11 to the financial statements.
- **Disabled Employees:** The Group gives every consideration to applications for employment from disabled persons where the requirements of the job may be adequately fulfilled by a handicapped or disabled person. Where existing employees become disabled, it is the Group's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training and career development and promotion wherever appropriate.
- **Employee Involvement:** The continuing Group policy with regard to employee consultation and involvement is that there should be effective communication with all employees, who subject to practical and commercial considerations, should be consulted on and involved in decisions that affect their current jobs and future prospects. The achievement of this policy has to be treated flexibly in accordance with the varying circumstances and needs of companies in the Group but, in all cases, the emphasis is on communication at the local level. Details of the Group's financial results are circulated each half year and full year and periodic staff meetings are also held to discuss various aspects of the Groups' business.
- **Health and Safety:** The Group pays particular adherence to health and safety matters. The Group has implemented appropriate safely guidelines in its Irish subsidiaries as required by the Safety, Health and Welfare at Work Act, 2005.
- **Environment:** The Group pays particular adherence to applicable environmental legislation and requests that our employees and subcontractors are aware of their responsibilities in this regard. The Group supports various charities and local events.

SPECIAL BUSINESS

Your attention is drawn to the notice of meeting which sets out matters of ordinary and special business to be considered at the Annual General Meeting.

CAPITAL GAINS TAX

The quoted price of the ordinary share on 6 April 1974 as calculated for capital gains tax in Ireland was €78.7c (IR62p).

AUDITOR

The auditor, Ernst & Young, Chartered Accountants, will continue in office in accordance with Section 383 of the Companies Act 2014.

On behalf of the Board, 10 July 2019

C. H. GALLAGHER
Chairman

L.G. FRAQUELLI
Director

Remuneration Report

The Remuneration Committee is responsible for overseeing the remuneration of the executive directors of Abbey plc.

The Remuneration Committee comprises all of the non-executive directors. The written terms of reference have been approved by the Board and are aimed to ensure that remuneration packages are competitive and that they will attract, retain and motivate executive directors of the quality required. The non-executive directors' remuneration is determined by the Board.

The Group does not operate any share option or long-term incentive schemes.

The Executive Chairman's service contract contains a notice period of two years which was recommended by the Committee in view of the importance of this role. Both Mr Fraquelli and Mr Collins have a notice period of one year.

DIRECTORS' REMUNERATION

The individual remuneration of the directors of the Company for the year is as follows:

	Salary and Fees €'000	(1) Benefits In Kind €'000	**2019 Total €'000**	2018 Total €'000
Executive Directors				
C H Gallagher	1,239	38	**1,277**	1,108
L G Fraquelli	469	22	**491**	462
N J Collins	268	16	**284**	261
Totals	1,976	76	**2,052**	1,831
Non-Executive Directors				
D A Gallagher	45	–	**45**	45
M A McNulty	45	–	**45**	45
R N Kennedy	45	–	**45**	45
A G Quirke	45	–	**45**	45
A M Gallagher (2)	14	–	**14**	–
Totals	94	–	**194**	180

(1) Benefits In Kind comprise other benefits and emoluments. (2) Ms A M Gallagher was appointed on 23 January 2019.

PENSIONS

One executive director was a deferred member of The Abbey Group Limited Pension and Life Assurance Scheme during the year. Non-executive directors do not participate in the Group's pension scheme. The Chairman became a deferred member of the Group's defined benefit scheme on 5 April 2006 and is paid a taxable allowance, with effect from that date in lieu of future pension benefits as set out below. Mr R N Kennedy became a pension member of the defined benefit pension scheme on 19 March 2018.

There are no (2018: Nil) directors to whom retirement benefits were accruing under a defined benefit scheme at 30 April 2019. Two (2018: two) directors are paid a taxable allowance in lieu of future pension benefits as set out below. One director had contributions to a defined contribution scheme during the year.

Directors' pension arrangements are as follows:

Name	Defined Contribution €'000	Retirement Benefit Expense €'000
C H Gallagher	–	247
L G Fraquelli	–	58
N J Collins	39	–
30 April 2019	**39**	**305**
30 April 2018	37	266

A.G. Quirke, Chairman, Remuneration Committee
10 July 2019

Corporate Governance Report

The Board is committed to maintaining high standards of Corporate Governance to ensure that Abbey plc is headed by an effective Board which can lead and control the business. Following the revisions to the AIM Rules for Companies in March 2018 pursuant to which all AIM companies are required to comply with a recognised corporate governance code, the decision has been made by the Company that it will adopt the Quoted Companies Alliance Corporate Governance Code 2018 (the "Code") which is believed to be the most appropriate recognised governance code for the Company.

High standards of corporate governance are a priority for the Board and details of how Abbey plc addresses its key governance principles are set out below.

RELATIONS WITH SHAREHOLDERS

Abbey plc's strategy is designed to deliver long term value for its shareholders.

Business Model

Our aim is to drive growth and we employ a business model that balances the demands of our main customers with the principal risks and uncertainties (as set out on page 10 of the Directors Report) faced by the businesses in which we are engaged.

Shareholder Relations

The Group places a high level of importance on communicating with its shareholders and welcomes and encourages a two-way communication with both its institutional and private investors within the constraints of the AIM rules and other regulations applicable to quoted companies.

The Executive Chairman talks regularly with the Group's major shareholders and ensures that their views are communicated to the Board. Regular communication occurs between representatives of the Group and representatives of its principal investors. The views of the investors are regularly communicated to the Board.

The Board is responsible for the Company's public announcements to the market and where appropriate takes advice from the Company's advisors in respect of their preparation and the Company's regulatory requirements. The Group's website www.abbeyplc.ie, provides the full text of company announcements, including the Annual and Interim Results, Interim Trading Statements and results.

The Chairman issues a statement on trading conditions at the Annual General Meeting and with the interim and annual reports.

The Board recognises the Annual General Meeting as an important opportunity to meet private shareholders. All investors are welcome to attend the AGM where they have the opportunity to ask questions of the Board. The Directors are available to listen to the views of the shareholders informally following the AGM.

Shareholder relations are managed primarily by the Company Secretary.

Stakeholders and Social Responsibility

The Board recognises that the long-term success of the Group relies upon good relations with its various stakeholders. The Board periodically reviews its stakeholder strategy and action plan and thereby updates its analysis of its stakeholders and their interests and assesses how their needs and expectations are being managed.

Feedback is recognised as an important part of the shareholder strategy and the Board reviews feedback and decides how to address it.

The Board is fully committed to its Corporate Social Responsibility and details of this are found on page 11 of 2019 Annual Report.

INTERNAL CONTROL

The Board is responsible for ensuring that the Group maintains a system of internal control. This system is designed to provide reasonable but not absolute assurance against material misstatement or loss.

Key elements of this control system, including internal financial control, are:

- An organisation structure with clearly defined lines of responsibility and delegation of authority.
- A budgeting system with actual performance being measured against budget on a regular basis.
- A review of the key business risks relevant to the Group's operations. These risks are reviewed annually to ensure that they remain appropriate to the business and the current trading environment.
- Control procedures to address the key business risks which include policies and procedures appropriate to each of the main operating subsidiaries. The Board considers the adequacy of the control procedures at the same time as it reviews the key business risks. Certain prescribed matters are reserved for Board approval.
- A management review of the operation of the system.

INTERNAL CONTROL (CONTINUED)

- At all Board and Audit Committee meetings, Internal Control is a main agenda item to be considered.
- The Audit Committee monitors the effectiveness of the Group's Internal Control System.

The Board has reviewed the effectiveness of the Group's Internal Control System up to and including the date of approval of the annual report. This review included a consideration of issues raised in management letters received from the external auditors.

The above elements help to provide assurance, but the Board recognises that the business it is engaged in is constantly evolving and it accepts that the Group's internal control must evolve with it. In this respect the Board is willing to allocate the necessary resources to implement new controls to cover new areas of risk if additional controls are deemed beneficial in assisting the Group to achieve its objectives.

The Board has considered the need for an internal audit function and concluded that, due to the effective levels of procedures already in place, there is currently no requirement for an internal audit function during the year under review, although this matter will be reviewed regularly.

Details of the Group's principal risks are outlined on page 10.

THE BOARD

The Board is satisfied that it has a suitable balance between independence on the one hand, and knowledge of the Company on the other, to enable it to discharge its duties and responsibilities effectively.

The Board is currently comprised of the Executive Chairman, two executive directors and five non-executive directors.

- C.H. Gallagher Executive Chairman
- L.G. Fraquelli Executive Director
- N.J. Collins Executive Director
- D.A. Gallagher Non Executive Director
- M.A. McNulty Non Executive Director
- R.N. Kennedy Non Executive Director
- A.G. Quirke Non Executive Director & Audit Committee Chairman
- A.M. Gallagher Non Executive Director

Biographies of the directors are available on the Company's website at www.abbeyplc.ie.

All Directors are encouraged to use, and are capable of exercising their independent judgement and to challenge all matters, whether strategic or operational.

The following Directors are considered to be independent Directors:

- D.A.Gallagher Non Executive Director
- M.A.McNulty Non Executive Director
- R.N. Kennedy Non Executive Director
- A.G. Quirke Non Executive Director
- A.M.Gallagher Non Executive Director

The Board considers all non-executive directors capable of exercising independent judgment. They all have considerable experience and share equal obligations to the Group and together the Directors offer a wide range of relevant industry knowledge and experience. The Board is satisfied that, between the Directors, it has an effective and appropriate balance of skills and experience required for the Company. The Board is satisfied that the long service of some Directors does not prejudice their independent judgement.

The roles of the Executive Chairman and Chief Executive are combined in one individual. The Board believes that the Group benefits from consolidating the experience and knowledge of the present Executive Chairman whilst ensuring that there are experienced non-executive, and executive directors, to whom concerns may also be conveyed. The Executive Chairman's service contract contains a notice period of two years which was recommended by the Remuneration Committee in view of the importance of this role.

Executive directors are not required to submit themselves for re-election, apart from at their first Annual General Meeting. Their election is covered by Articles 87 and 94 of the Company's Articles of Association.

The Board believes that the Group benefits from allowing executive directors to perform their duties whilst benefiting from continuity of performance. Executive directors are subject to the same provisions as to their removal as other directors of the company.

THE BOARD (CONTINUED)

One third of the non-executive directors retire by rotation each year. Non-executive directors are not appointed for specific terms and their election is covered by Article 87 of the Company's Articles of Association. Non-executive directors are required to submit themselves for re-election by rotation and their re-election is covered by Article 98 of the Company's Articles of Association.

The Non-Executive Directors are considered to be part time but are expected to provide as much time to the Company as is required.

All Directors receive regular and timely information on the Group's operational and financial performance. Relevant information is circulated to the Directors in advance of meetings.

The Board considers that it has the appropriate consistency of experience, skills and capabilities required to sustain it as a fully functioning board for the benefit on the company. Continuous reviews are carried out in order to ensure that this remains.

Each member of the Board is required to consider the appropriateness and opportunity for continuing professional development whether formal or informal and to engage in such to ensure that their relevant skill sets are kept up to date.

The Board makes decisions regarding the appointment and removal of Directors, and there is a formal, rigorous and transparent procedure for appointments.

Independent Advice

All Directors are able to take independent professional advice in the furtherance of their duties, if necessary, at the Company's expense. In addition, the Directors have direct access to the advice and services of the Company Secretary.

External Advice

Where appropriate the Board will seek external advice on significant matters. During the year the Group's NOMAD was consulted on the appointment of A.M. Gallagher as a Non-Executive Director.

Performance

The Board recognises that its own effectiveness is reliant upon the performance of its individual directors and the performance of the board collectively. Shareholders hold the board accountable and by raising questions at the AGM and writing to the board directly.

Ethical Values and Behaviour

The Board seeks to ensure that all Group business is conducted in an honest and ethical manner and the Group is committed to acting professionally, fairly and with integrity in all business dealings and relationships. These values are enshrined in the written policies and working practices adopted by all employees within the Group.

An open culture is encouraged within the Group, feedback is regularly sought and the Board consider that the culture of the Group is consistent with its objectives, strategy, risks and uncertainties and business model. The Executives monitor business operations to ensure that adherence to the corporate values and culture are observed and address any concerns where they may arise, escalating these to Board level as necessary.

Governance Structures

The Board scheduled five meetings during the year with an agenda sent out at least one week in advance in accordance with its scheduled meeting calendar. The Board and its Committees receive appropriate and timely information prior to each meeting, a formal agenda is prepared for each meeting and the Board papers are issued several days in advance of the meeting. All directors receive regular and timely information on the Groups operational and financial performance. All directors attended each of the five scheduled meetings with the exception of one absentee noted in respect of two meetings. In addition, and in order to be efficient, the Directors meet formally and informally both in person and by telephone.

There is a formal schedule of matters reserved to the Board. It is responsible for overall Group strategy, approval of major capital expenditure projects, approval of interim and annual results, annual budgets, Dividend policy, Board structures and nominations, monitoring exposure to key business risks, and reviewing the strategic direction of the trading subsidiaries. The Board delegates the day to day responsibility of managing the business to its executive directors.

COMMITTEES

The Board is supported by the Audit and Remuneration Committees. An Audit Committee report is not deemed necessary as the main roles and responsibilities of the Committee are set out below, and provide sufficient context and detail on the operation of the Committee during the year.

COMMITTEES (CONTINUED)

The Audit Committee

The main role and responsibilities of the audit committee are:

- To monitor the integrity of the financial statements of the Group and any formal announcements relating to the Group's financial performance and reviewing significant financial reporting judgements contained therein.
- To review the Group's internal financial controls and its internal controls and risk management systems.
- To make recommendations to the Board, for it to put to the shareholders for their approval in general meeting, in relation to the appointment, re-appointment and removal of the external auditor and to approve the remuneration and terms of engagement of the external auditor.
- To review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process.
- To develop and implement policy on the engagement of the external auditor to supply non-audit services and identify matters in respect of which it considers that action or improvement is needed.
- To review arrangements by which staff of the Group may, in confidence raise concerns about possible improprieties in matters of financial reporting or other matters.
- To annually consider whether there is a need for an audit function and make recommendations to the Board.

The Remuneration Committee

The main roles and responsibilities of the remuneration committee are:

- To make recommendations to the Board in relation to all aspects of remuneration for Executive Directors.
- To ensure that remuneration packages are competitive and will attract, retain and motivate Executive Directors of the calibre required.
- No individual is involved in making decisions as to their own remuneration.

A Report of the Remuneration Committee is set out on page 12 to this Annual Report.

Nominations Committee

The Board has agreed that appointments to the Board will be made by the Board as a whole and so has not created a Nominations Committee. All Board Nominations are tabled under "Formal matters to be reserved to the board" and considerations of appointments are made by the Board as a whole.

CAPITAL RISK MANAGEMENT

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue as a going concern and so that it can continue to provide returns for shareholders and benefits for other stakeholders. The capital comprises mainly of issued capital, reserves and retained earnings as set out in the Consolidated Statement of Changes in Equity.

GOING CONCERN

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Directors' Report on pages 9 to 11. The position of the Group, its cash flows and liquidity position are detailed on pages 25 and 26. The Group has adequate financial resources together with long term relationships with a number of customers and suppliers and the directors believe that the Group is well placed to manage its business risks successfully, despite the current uncertain economic outlook. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

SUMMARY

The Board takes its responsibilities seriously. Although there are a number of areas in which the Group is not fully congruent with the QCA guidance, the way in which the Group is organised and governed is deemed appropriate given its current structure and circumstances.

D.J. Dawson
Company Secretary
10 July 2019

Directors' Responsibilities Statement

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Irish company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union (IFRSs).

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 assets, liabilities and financial position, of the Group and parent company as at the end of the financial year, and the profit or loss for the Group and parent company for the financial year, and otherwise comply with the Companies Act 2014.

In preparing those Group and parent company financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Group and parent company will continue in business.

The Directors have elected to prepare the Parent Company's financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union, together with the Companies Acts 2014.

The Directors are responsible for ensuring that the Parent Company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the Group and Parent company, enable at any time the assets, liabilities, financial position and profit or loss of the Group and Parent company to be determined with reasonable accuracy, enable them to ensure that the financial statements and directors' report comply with the Companies Act 2014 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the Group and Parent company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in Ireland governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

Independent Auditor’s Report to the Members of Abbey plc

OPINION

We have audited the financial statements of Abbey plc (‘the Company’) and its subsidiaries (‘the Group’) for the year ended 30 April 2019, which comprise the Group Income Statement, Group Statement of Comprehensive Income, Group Statement of Changes in Equity, Group Balance Sheet, Group Cash Flow Statement, Company Income Statement, Company Statement of Comprehensive Income, Company Statement of Changes in Equity, Company Balance Sheet, Company Cash Flow Statement and notes to the financial statements, including the summary of significant accounting policies set out in note 6. The financial reporting framework that has been applied in their preparation is Irish Law and International Financial Reporting Standards (IFRS) as adopted by the European Union and, as regards the Company financial statements, as applied in accordance with the provisions of the Companies Act 2014.

In our opinion:

- the Group financial statements give a true and fair view of the assets, liabilities and financial position of the Group as at 30 April 2019 and of its profit for the year then ended;
- the Company financial statements give a true and fair view of the assets, liabilities and financial position of the Company as at 30 April 2019 and of its profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with IFRS as adopted by the European Union;
- the Company financial statements have been properly prepared in accordance with IFRS as adopted by the European Union as applied in accordance with the provisions of the Companies Act 2014; and
- the Group financial statements and Company financial statements have been properly prepared in accordance with the requirements of the Companies Act 2014.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (Ireland) (‘ISAs (Ireland)’) 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 Company in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA) as applied to listed entities, 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

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

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Risk	Our response to the risk	Key observations communicated to the Audit Committee
Existence of plant and equipment assets available for hire (€26.4 million) (2018: €24.0 million) Refer to accounting policies (page 29) and Note 15 of the Consolidated Financial Statements (page 36) Plant and equipment assets available for hire may not be returned or may not exist. This is considered to be a risk area due to the mobile nature of the assets and the relatively large number of such assets.	Our procedures in respect of the existence of hire assets included the following: ■ We carried out a walkthrough of the relevant process including identifying management controls. ■ We analysed movements in the assets available for hire, investigated unusual movements and performed a test of detail on asset additions and disposals. ■ For each asset category, we obtained utilisation reports for the year and examined asset categories with risk characteristics. ■ We performed a physical verification of a sample of assets at selected plant hire sites and tied-in test counts to hire asset registers. ■ For a selection of depots, we randomly selected individual assets from the year-end asset register, determined when each asset was last rented and obtained explanations for any assets not recently rented.	Our observations included an outline of the range of audit procedures performed and a summary of the results.

Risk	Our response to the risk	Key observations communicated to the Audit Committee
Valuation of work in progress ('WIP') inventories (€66.0 million) (2018: €61.3 million) Refer to accounting policies (page 28) and Note 19 of the Consolidated Financial Statements (page 38) WIP may be misstated either because (a) it is not recoverable or (b) due to errors or unreasonable assumptions utilised in the margin estimation process. As WIP balances are highly material and somewhat judgemental, the valuation of same was an area where we allocated significant resources in directing the effort of the engagement team.	Our procedures in respect of the valuation of WIP included the following: ■ We carried out a walkthrough of the relevant process including identifying management controls. ■ We undertook a number of site visits to development plots at year-end, in conjunction with stock count procedures, and costs of construction to date were confirmed to site stage of completion sign offs carried out by site management. ■ We carried out net realisable value testing. ■ We reviewed sites with significant margin variances year on year, investigating the underlying causes for the variances. ■ We reviewed sites with low estimated margins. ■ For the most significant sites in terms of WIP value, we reviewed key assumptions used in margin estimates and performed look back procedures to assess the accuracy of previous estimates. ■ All sites were reviewed for indicators of impairment such as significantly reduced selling prices or large numbers of complete but unsold plots, or decreases in post year-end sales prices.	Our observations included an outline of the range of audit procedures performed, the key judgements involved and a summary of the results.

OVERVIEW OF THE SCOPE OF OUR AUDIT

Our Application of Materiality
We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

Materiality

The magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

We determined materiality for the Group to be €2.7 million (2018: €2.9 million), which is approximately 5% (2018: 5%) of consolidated profit before tax. We considered profit before tax to be the most appropriate performance metric on which to base our materiality calculation as we consider it to be the most relevant performance measure to the shareholders of the Group.

During the course of our audit, we reassessed initial materiality and the only change in final materiality was to reflect the actual reported performance of the Group in the year.

Performance Materiality

Performance materiality is the application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.

On the basis of our risk assessments, together with our assessment of the Group's overall control environment, our judgement was that performance materiality was 75% (2018: 75%) of our planning materiality, namely €2.0 million (2018: €2.2 million). We have set performance materiality at this percentage due to the lack of significant past misstatements, our ability to assess the likelihood of misstatements, both corrected and uncorrected, the effectiveness of the control environment and other factors affecting the Group and its financial reporting.

Audit work at component locations for the purpose of obtaining audit coverage over significant financial statement accounts is undertaken based on a percentage of total performance materiality. The performance materiality set for each component is based on the relative scale and risk of the component to the Group as a whole and our assessment of the risk of misstatement at that component. In the current year, the range of performance materiality allocated to components was €1.8 million to €0.4 million (2018: €2.0 million to €0.4 million).

Reporting Threshold

An amount below which identified misstatements are considered as being clearly trivial.

We agreed with the Audit Committee that we would report to them all uncorrected audit differences in excess of €0.13 million (2018: €0.15 million), which is set at 5% of planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion.

Tailoring the Scope
Our assessment of audit risk, our evaluation of materiality and our allocation of performance materiality determine our audit scope for each entity within the Group. Taken together, this enables us to form an opinion on the consolidated financial statements. We take into account size, risk profile, the organisation of the Group and effectiveness of group-wide controls, changes in the business environment and other factors when assessing the level of work to be performed at each entity.

In assessing the risk of material misstatement to the Group financial statements, and to ensure we had adequate quantitative coverage of significant accounts in the financial statements, of the 28 reporting components of the Group, we selected 7 components covering entities within Ireland and the United Kingdom, which represent the principal business units within the Group.

Of the 7 components selected, we performed an audit of the complete financial information of 7 components ("full scope components") which were selected based on their size or risk characteristics.

The reporting components where we performed audit procedures accounted for 96% (2018: 95%) of the Group's profit before tax, 97% (2018: 98%) of the Group's revenue and 96% (2018: 96%) of the Group's total assets. For the current year, the full scope components contributed 96% (2018: 95%) of the Group's profit before tax, 97% (2018: 98%) of the Group's revenue and 96% (2018: 96%) of the Group's total assets.

Tailoring the Scope (Continued)

Of the remaining 21 components that together represent 4% (2018: 5%) of the Group's profit before tax, none are individually greater that 4% (2018: 5%) of the Group's profit before tax. For these components, we performed other procedures, including analytical review, testing of consolidation journals and intercompany eliminations and foreign currency translation recalculations to respond to any potential risks of material misstatement to the Group financial statements.

Involvement with Component Teams

All audit work performed for the purposes of the audit was undertaken by the Group audit team.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's Report thereon. 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2014

Based solely on the work undertaken in the course of the audit, we report that:

- in our opinion, the information given in the Directors' Report is consistent with the financial statements; and
- in our opinion, the Directors' Report has been prepared in accordance with the Companies Act 2014.

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited and the Company financial statements are in agreement with the accounting records.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

Based on the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by sections 305 to 312 of the Act are not made. We have nothing to report in this regard.

RESPONSIBILITY OF DIRECTORS FOR THE FINANCIAL STATEMENTS

As explained more fully in the Directors' Responsibilities Statement set on page 17, 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 they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the group or to cease operations, or has 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 (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at:

http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f98202dc9c3a/Description_of_auditors_responsiblities_for_audit.pdf.

This description forms part of our Auditor’s Report.

THE PURPOSE OF OUR AUDIT WORK AND TO WHOM WE OWE OUR RESPONSIBILITIES

This report is made solely to the Company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Breffni Maguire
for and on behalf of Ernst & Young
Chartered Accountants and Statutory Audit Firm

Dublin
10 July 2019

Group Income Statement

For The Year Ended 30 April 2019

	Note	2019 €'000	2018 €'000
Revenue - continuing operations	7	**230,899**	218,462
Cost of sales - operating		**(166,507)**	(150,727)
Gross profit		**64,392**	67,735
Administrative expenses		**(12,185)**	(9,396)
Realised gain on disposal of investment property	8	**158**	–
Fair value adjustment in investment properties	8	**7**	164
Revaluation increases in land and buildings	8	**587**	–
Operating profit - continuing operations		**52,959**	58,503
Finance income	9	**68**	128
Finance costs	9	**(1)**	(3)
Profit before taxation	10	**53,026**	58,628
Income tax expense	12	**(9,830)**	(9,699)
Profit attributable to equity shareholders of the parent	27	**43,196**	48,929
Earnings per share - basic	14	**201.48c**	228.22c
Earnings per share - diluted	14	**201.48c**	228.22c

Abbey plc Registered Office: 25/28 North Wall Quay, Dublin 1 (Reg. No. 9245 Republic of Ireland)

Group Statement of Comprehensive Income

For The Year Ended 30 April 2019

	2019 €'000	2018 €'000
Profit attributable to equity shareholders of the parent	**43,196**	48,929
Items that may be reclassified subsequently to the income statement		
Foreign currency translation	**5,938**	(9,965)
Items that will not be reclassified to the income statement		
Revaluation reserve increase – land and buildings	**1,645**	–
Actuarial loss on Group defined benefit pension obligations	**(804)**	(2,017)
Deferred tax movement relating to actuarial loss on Group defined benefit obligations	**137**	343
Other comprehensive income / (loss) for the year, net of tax	**6,916**	(11,639)
Total comprehensive income for the year, net of tax, attributable to equity shareholders of the parent	**50,112**	37,290

Group Statement of Changes in Equity

For The Year Ended 30 April 2019

	Issued Capital €'000	Share Premium €'000	Revaluation Reserve €'000	Capital Redemption Reserve Fund €'000	Currency Translation €'000	Retained Earnings €'000	Total €'000
Attributable to equity holders							
At 1 May 2018	6,861	13,321	4,898	5,522	(33,508)	344,916	342,010
Profit for the year	–	–	–	–	–	43,196	43,196
Other comprehensive income (loss), net of tax	–	–	1,510	–	5,840	(434)	6,916
Total comprehensive income, net of tax, attributable to equity shareholders	–	–	1,510	–	5,840	42,762	50,112
Equity dividends paid	–	–	–	–	–	(25,513)	(25,513)
At 30 April 2019	6,861	13,321	6,408	5,522	(27,668)	362,165	366,609

Group Statement of Changes in Equity

For The Year Ended 30 April 2018

	Issued Capital €'000	Share Premium €'000	Revaluation Reserve €'000	Capital Redemption Reserve Fund €'000	Currency Translation €'000	Retained Earnings €'000	Total €'000
Attributable to equity holders							
At 1 May 2017	6,861	13,321	5,103	5,522	(23,748)	301,306	308,365
Profit for the year	–	–	–	–	–	48,929	48,929
Other comprehensive loss, net of tax	–	–	(205)	–	(9,760)	(1,674)	(11,639)
Total comprehensive income / (loss), net of tax, attributable to equity shareholders	–	–	(205)	–	(9,760)	47,255	37,290
Equity dividends paid	–	–	–	–	–	(3,645)	(3,645)
At 30 April 2018	6,861	13,321	4,898	5,522	(33,508)	344,916	342,010

Group Balance Sheet

At 30 April 2019

ASSETS	Note	2019 €'000	2018 €'000
Non-current assets			
Property, plant and equipment	15	**40,285**	35,309
Investment properties	16	**2,502**	2,912
Investments	17	**6**	6
Deferred taxation	24	**614**	718
Defined benefit pension scheme surplus	32	**1,010**	1,747
		44,417	40,692
Current assets			
Trade and other receivables	18	**17,894**	30,064
Inventories	19	**274,285**	274,808
Restricted cash	20	**2,011**	3,955
Cash and cash equivalents	20	**97,110**	78,880
		391,300	387,707
TOTAL ASSETS		**435,717**	428,399
LIABILITIES			
Current liabilities			
Trade and other payables	21	**(63,593)**	(80,338)
Income tax payable	22	**(4,594)**	(4,948)
Provisions	23	**(536)**	(471)
		(68,723)	(85,757)
NET CURRENT ASSETS		**322,577**	301,950
Non-current liabilities			
Provisions	23	**(385)**	(632)
		(385)	(632)
TOTAL LIABILITIES		**(69,108)**	(86,389)
NET ASSETS		**366,609**	342,010
EQUITY			
Equity attributable to equity holders of the parent			
Issued capital	25	**6,861**	6,861
Share premium	26	**13,321**	13,321
Revaluation reserve	26	**6,408**	4,898
Other reserves			
- Capital redemption reserve fund	25	**5,522**	5,522
- Currency translation	26	**(27,668)**	(33,508)
Retained earnings	27	**362,165**	344,916
TOTAL EQUITY		**366,609**	342,010
TOTAL EQUITY AND LIABILITIES		**435,717**	428,399

Approved by the Board on 10 July 2019

C.H. GALLAGHER, Chairman *L.G. FRAQUELLI, Director*

	Note	2019 €'000	2018 €'000
Cash flows from operating activities			
Profit before taxation		**53,026**	58,628
Adjustment to reconcile profit before tax to net cash flows			
Non cash:			
Depreciation and amortisation	10	**9,618**	8,540
Other non cash items		**38**	(278)
Movement in defined benefit pension asset		**(51)**	(82)
Fair value adjustment on investment properties	8	**(7)**	(164)
Revaluation increases in land and buildings	8	**(587)**	–
Profit on disposal of property, plant and equipment	10	**(2,755)**	(1,517)
Realised gain on disposal of investment property	8	**(158)**	–
Finance income	9	**(68)**	(128)
Finance costs	9	**1**	3
Working capital adjustments:			
Increase in inventories		**(10,255)**	(34,383)
Decrease / (increase) in trade and other receivables		**12,335**	(17,413)
Decrease in trade and other payables		**(1,242)**	(1,223)
Income taxes paid		**(10,025)**	(10,884)
Net cash inflow from operating activities		**49,870**	1,099
Cash flows from investing activities			
Purchase of property, plant and equipment		**(14,889)**	(10,064)
Sale of property, plant and equipment		**4,419**	2,714
Disposal of investment property		**592**	–
Finance income	9	**68**	128
Net cash outflow from investing activities		**(9,810)**	(7,222)
Cash flows from financing activities			
Equity dividends paid	13	**(25,513)**	(3,645)
Movement in restricted cash	20	**1,944**	(3,117)
Finance costs	9	**(1)**	(3)
Net cash outflow from financing activities		**(23,570)**	(6,765)
Net increase / (decrease) in cash and cash equivalents		**16,490**	(12,888)
Cash and cash equivalents at start of year	20	**78,880**	95,137
Net foreign exchange differences		**1,740**	(3,369)
Cash and cash equivalents at end of year	20	**97,110**	78,880

1. AUTHORISATION OF FINANCIAL STATEMENTS

The Consolidated Financial Statements of Abbey plc for the year ended 30 April 2019 were authorised for issue in accordance with a resolution of directors on 10 July 2019. Abbey plc is a publicly traded entity incorporated in the Republic of Ireland. The company's shares are listed on the Euronext Growth Dublin and the AIM on the London Stock Exchange. The principal activities of the Group are described in note 7.

2. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS")

In the current year, the Group and parent company have adopted all of the new and revised Standards and Interpretations issued by the International Accounting Standards Board (IASB), the International Financial Reporting Interpretations Committee (IFRC) and the annual improvements to IFRS 2014 to 2016 cycle, of the IASB that are relevant to its operations. Adoption of these standards and interpretations did not have a material effect on the financial performance of the Group or parent company in the current or prior years.

3. STATEMENT OF COMPLIANCE

The consolidated financial statements of Abbey plc and all its subsidiaries (the Group") have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted for use in the European Union, as they apply to the financial statements of the Group for the year ended 30 April 2019, and with Companies Act 2014 as applicable to IFRS reporters.

4. BASIS OF PREPARATION

The Group financial statements have been prepared on the historical cost basis except for land and buildings, investment property that have been measured at fair value. The accounting policies which follow set out these policies which apply in preparing the financial statements for the year ended 30 April 2019.

Abbey plc (the company) has its functional currency as sterling but continues to present its financial statements in euro.

The Group financial statements are presented in euro and all values are rounded to the nearest thousand euro (€'000) except where otherwise indicated.

5. BASIS OF CONSOLIDATION

The Group financial statements include the financial statements of the parent undertaking and all subsidiaries, intra–group balances, transactions and profits thereon have been eliminated in preparing the Group financial statements. The financial year end of the Group's subsidiaries are co–terminus.

6. ACCOUNTING POLICIES

Revenue recognition
Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration receivable. Revenue represents the value of goods and services supplied to external customers and excludes intra–group sales and value added tax. The following criteria must also be met before revenue is recognised.

Housing
Revenue on housing developments and the respective profits are recognised when the property is structurally complete and legally transferred to the purchaser.

Plant hire
Revenue comprises charges to third parties, net of value added tax, for the hire, rental, sales and maintenance of construction plant, vehicles, tools and portable buildings. All intra–group transactions having been eliminated. Revenue is recognised on a straight line basis over the period of the hire.

Property rental
Revenue is recognised on a straight line basis over the period of the lease term, net of value added tax. All intra–group transactions having been eliminated.

Interest income
Revenue is recognised as interest accrues in the period.

Segmental reporting
Operating segments are reported in a manner consistent with the internal organisation and management structure and the internal reporting information provided to the Board.

6. ACCOUNTING POLICIES (CONTINUED)

Inventories
Inventories are stated at the lower of cost and net realisable value. Net realisable value in respect of inventory property is assessed with reference to market prices at the reporting date, less estimated costs to complete including overheads and selling costs.

Building land and roads
Building land and roads are stated at the lower of cost and net realisable value less an appropriate proportion relating to plots sold in the case of estates in the course of development.

The Group assesses at each balance sheet date whether building land and roads are impaired in accordance with IAS 2 Inventories. If any impairment has occurred then the write down is recognised as an expense in the income statement.

Work in progress
The cost of uncompleted and unsold new properties comprises direct labour and material costs. No profits are taken until houses are conveyed on legal completion to third parties.

Raw materials
The cost of raw materials comprises net invoice price on an average cost basis.

Trade and other receivables
Trade receivables are recognised and carried at the lower of their original invoiced value and recoverable amount.

Where the time value of money is material, receivables are carried at amortised cost. Provision is made when there is objective evidence that the Group will not be able to recover balances in full. Balances are written off when the probability of recovery is assessed as being remote.

Cash and cash equivalents
Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short–term deposits with an original maturity of three months or less.

For the purpose of the Group cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above.

Trade and other payables
Trade payables are stated at their fair value. Trade payables on extended terms are recorded at their fair value at the period end, with any discount to fair value amortised over the period of the credit term and charged to finance costs. Trade payables in respect of land are recognised at the point at which the contract is exchanged.

Taxes
Current Income tax
Current income tax assets and liabilities for the year are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted for the financial year.

Deferred tax
Deferred tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, with the following exceptions:

- in respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future; and

- deferred tax assets are recognised only to the extent that it is probable that taxable profit will be available against which temporary differences, carried forward tax credits or tax losses can be utilised.

Deferred tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability settled, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

The carrying amount of deferred tax assets is reviewed at each balance sheet date. Deferred tax assets and liabilities are offset, only if a legally enforceable right exists to set off current tax assets against current tax liabilities, the deferred tax relates to the same taxation authority and that authority permits the Group to make a single net payment.

Income tax is charged or credited directly to equity if it relates to items that are credited or charged to equity. Otherwise income tax is recognised in the income statement.

6. ACCOUNTING POLICIES (CONTINUED)

Foreign currency
The consolidated financial statements are presented in euro, which is the Company's and Group's presentational currency. Abbey plc (the company) changed its functional currency to sterling effective 1 May 2011 as a result of determining that its assets and liabilities are now primarily held in sterling and that it was a UK tax resident company. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Transactions in foreign currencies are initially recorded at the functional currency rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the balance sheet date with all differences taken to the income statement. Differences on monetary assets and liabilities that form part of the Group's net investment in a foreign operation are taken directly to equity until the disposal of the net investment, at which time they are recognised in the income statement. Non monetary items that are measured in terms of historical cost in foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements to the presentational currency.

Property, plant and equipment
Property, plant and equipment is stated at cost less accumulated depreciation and accumulated impairment losses except for land and buildings which have been measured at fair value. Cost comprises the aggregate amount paid and the fair value of any other consideration given to acquire the asset and includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all property, plant and equipment, other than land, on a straight line basis over the expected useful life as follows:

- Buildings 50 years
- Plant, machinery and transport 3 to 8 years

The carrying amounts of property, plant and equipment are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable, and are written down immediately to their recoverable amount. Useful lives and residual values are reviewed annually and where adjustments are required these are made prospectively.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the derecognition of the asset is included in the income statement in the period of derecognition.

Leases
Group as a lessor
Assets leased out under operating leases are included in property and are depreciated over their estimated useful lives. Rental income is recognised on a straight line basis over the lease term.

Group as a lessee
Leases where the lessor retains a significant portion of the risks and benefits of ownership of the asset are classified as operating leases and rentals payable are charged to the income statement on a straight line basis over the lease term.

Impairment of non financial assets
The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre–tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. Impairment losses on continuing operations are recognised in the income statement in those expense categories consistent with the function of the impaired asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is only reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the income statement unless the asset is carried at the revalued amount in which case the reversal is treated as a revaluation decrease. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

6. ACCOUNTING POLICIES (CONTINUED)

Investment properties
Certain of the Group's surplus properties are classified as investment properties, being held for long–term investment and to earn rental income.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the balance sheet date. Gains or losses arising from the changes in fair value of investment properties are included in the income statement in the period in which they arise.

Investment properties are derecognised when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal.

Any gains or losses on the retirement or disposal of an investment property are recognised in the income statement in the year of retirement or disposal.

Financial assets
Recognition and derecognition of financial assets and liabilities
Financial assets are recognised when the Group becomes party to the contractual provisions of the instrument. The derecognition of financial assets takes place when the Group no longer has the right to cash flows, the risks and rewards of ownership, or control of the asset.

The Group assesses at each balance sheet date whether a financial asset or group of financial assets is impaired.

Pensions and other post retirement benefits
The Group operates a defined benefit pension scheme, which requires contributions to be made to a separately administered fund. The UK scheme was closed to new entrants on 1 January 2001 from which time membership of a defined contribution plan is available. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

Costs arising in respect of the Group's defined contribution pension schemes are charged to the Consolidated Income Statement in the period in which they are incurred. The Group has no legal or constructive obligation to pay further contributions in the event that the fund does not hold sufficient assets to meet its benefit commitments.

The liabilities and costs associated with the Group's defined benefit pension schemes (both funded and unfunded) are assessed on the basis of the projected unit credit method by professionally qualified actuaries and are arrived at using actuarial assumptions based on market expectations at the balance sheet date. The discount rates employed in determining the present value of the schemes' liabilities are determined by reference to market yields at the balance sheet date on high–quality corporate bonds of a currency and term consistent with the currency and term of the associated post–employment benefit obligations.

The Group has applied IAS 19R to recognise actuarial gains and losses in full in the Statement of Comprehensive Income.

The defined benefit asset comprises the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of the plan assets out of which the obligations are to be settled. Plan assets are assets that are held by a long–term employee benefit fund. Plan assets are not available to the creditors of the Group, nor can they be paid directly to the Group. Fair value is based on market price information. The value of any defined benefit asset recognised is restricted to the sum of any unrecognised past service costs and the present value of any economic benefits available in the form of refunds from the plan or reductions in the future contributions to the plan.

Contributions to defined contribution and personal employee plans are recognised in the income statement in the period in which they become payable.

Provisions
Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the obligation. Provisions are measured at the expected expenditure required to settle the obligation and are discounted to present value where the effect is material.

Where the Group expects some or all of the provisions to be reimbursed, the reimbursement is recognised as a separate asset but only when recovery is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

Dividends
Dividends paid are charged to retained earnings on the date of payment.

6. ACCOUNTING POLICIES (CONTINUED)

Accounting judgements and estimates
The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year.

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Inventory valuation
The Group measures inventories at the lower of cost and net realisable value. Inventories include development land and roads, work in progress and completed units for sale along with raw materials.

The Group assesses whether there is an indication that inventories may be impaired. If any such indication exists, or when annual impairment testing for inventories are required, the Group makes an estimate of the inventories recoverable amount. Where the carrying amount of inventory exceeds its recoverable amount, the inventory is considered impaired and is written down to its recoverable amount. In determining net realisable value, an appropriate assessment is made based on external valuations and the expected overall return on development sites.

An assessment is made as to whether there is any indication that previously recognised impairment losses may no longer exist or have decreased. If such indication exists, the previously recognised impairment loss is reversed.

In determining the value of work in progress the Group applies a standard costing process for cost of sales. The Group estimates the development cost for sites and the length of time for the construction process with variances recognised in the income statement.

Deferred tax asset
In determining the carrying amount of deferred tax assets, management considers the requirements of the applicable reporting standards to determine an appropriate estimate.

Employee benefits
The assumptions underlying the actuarial valuations from which the amounts recognised in the Consolidated Financial Statements are determined (including discount rates, rates of increase in future compensation levels, mortality rates and healthcare cost trend rates) are updated annually based on current economic conditions and for any relevant changes to the terms and conditions of the pension and post–retirement plans. These assumptions can be affected by (i) for the discount rate, changes in the rates of return on high–quality corporate bonds; (ii) for future compensation levels, future labour market conditions and (iii) for healthcare cost trend rates, the rate of medical cost inflation in the relevant regions. The weighted average actuarial assumptions used and sensitivity analysis in relation to the significant assumptions employed in the determination of pension and other post–retirement liabilities are contained in note 32 to the Consolidated Financial Statements.

While management believes that the assumptions used are appropriate, differences in actual experience or changes in assumptions may affect the obligations and expenses recognised in future accounting periods. The assets and liabilities of defined benefit pension schemes may exhibit significant period–on–period volatility attributable primarily to changes in bond yields and longevity. In addition to future service contributions, significant cash contributions may be required to remediate past service deficits.

New standards and interpretations not applied
IASB and the IFRS Interpretations Committee have issued the following standards and interpretations with an effective date after the date of these financial statements:

International Accounting Standards (IAS / IFRSs)		**Effective Date***	
IFRS 16	Leases	1 January	2019
IFRS 9	Amendments to Prepayment features with negative Compensation	1 January	2019
IAS 28	Amendments to Long-term interests in Associates and Joint Arrangements	1 January	2019
IFRS 17	Insurance Contracts	1 January	2021

There are no other new standards and interpretations that will have an impact on the Group accounting policies.

The Directors do not anticipate that the adoption of the remaining standards and interpretations will have a material impact on the Group's financial statements in the period of initial application.

**The effective dates stated here are those given in the original IASB/IFRIC standards and interpretations. As the Group has elected to prepare their financial statements in accordance with IFRS as adopted by the European Union, the application of new standards and interpretations will be subject to them having been endorsed by the EU via the EU endorsement mechanism. In the majority of cases this will result in an effective date consistent with that given in the original standard or interpretation but the need for endorsement restricts the Group's discretion to early adopt standards. The effective date means for accounting periods beginning on or after the effective date above.*

7. SEGMENTAL INFORMATION

Turnover, cost of sales and operating profit are derived from continuing activities. The Group operates in three markets being Ireland, the United Kingdom and Czechia. The principal activities of the Group are building and property development, plant hire and property rental. These divisions are the basis on which the Group reports its primary segmental information.

	— Building and Property Development —			Plant Hire	Property Rental Ireland United Kingdom		
	Ireland	United Kingdom	Czechia	United Kingdom	and Czechia	Unallocated	**GROUP**
30 April 2019	€'000	€'000	€'000	€'000	€'000	€'000	**€'000**
Income Statement Information							
Revenue	12,406	188,954	7,784	20,512	1,243	–	**230,899**
Cost of sales							
– operating	(9,494)	(136,233)	(4,955)	(15,825)	–	–	**(166,507)**
Administrative expenses	(1,365)	(7,799)	(918)	(1,599)	–	–	**(11,681)**
Realised gain on disposal of investment property	–	–	–	–	158	–	**158**
Fair value adjustment investment properties	52	(45)	–	–	–	–	**7**
Revaluation increase in land and buildings	–	75	–	512	–	–	**587**
Foreign currency losses	(56)	(448)	–	–	–	–	**(504)**
Operating profit	1,543	44,504	1,911	3,600	1,401	–	**52,959**
Finance income net	–	67	–	–	–	–	**67**
Income tax expense	(69)	(8,579)	(235)	(646)	(301)	–	**(9,830)**
Profit after taxation	**1,474**	**35,992**	**1,676**	**2,954**	**1,100**	**–**	**43,196**
Balance Sheet Information							
Segment assets	42,752	235,060	13,698	42,578	2,502	–	**336,590**
Segment liabilities	(5,845)	(57,675)	(2,947)	(2,641)	–	–	**(69,108)**
Segment net assets	36,907	177,385	10,751	39,937	2,502	–	**267,482**
Investments	–	6	–	–	–	–	**6**
Cash and cash equivalents and restricted cash	15,834	79,787	2,624	117	–	759	**99,121**
TOTAL NET ASSETS	**52,741**	**257,178**	**13,375**	**40,054**	**2,502**	**759**	**366,609**
Other Segmental Information							
Depreciation	69	134	–	9,415	–	–	**9,618**
Profit on disposal of fixed assets	–	(7)	–	(2,748)	–	–	**(2,755)**
Gain on disposal of investment property	–	–	–	158	–	–	**158**
Capital expenditure	230	141	–	12,891	–	–	**13,262**
Non-current assets	1,001	3,602	–	37,312	2,502	–	**44,417**

7. SEGMENTAL INFORMATION (CONTINUED)

30 April 2018	Building and Property Development — Ireland €'000	Building and Property Development — United Kingdom €'000	Building and Property Development — Czechia €'000	Property Rental Ireland Plant Hire United Kingdom €'000	United Kingdom and Czechia €'000	Unallocated €'000	GROUP €'000
Income Statement Information							
Revenue	25,333	166,931	5,523	19,489	1,186	–	218,462
Cost of sales							
– operating	(19,457)	(113,877)	(1,993)	(15,400)	–	–	(150,727)
Administrative expenses	(1,128)	(7,507)	(869)	(1,113)	–	–	(10,617)
Fair value adjustment investment properties	–	164	–	–	–	–	164
Foreign currency gains	713	503	5	–	–	–	1,221
Operating profit	5,461	46,214	2,666	2,976	1,186	–	58,503
Finance income net	–	125	–	–	–	–	125
Income tax expense	204	(8,848)	(268)	(525)	(262)	–	(9,699)
Profit after taxation	**5,665**	**37,491**	**2,398**	**2,451**	**924**	**–**	**48,929**
Balance Sheet Information							
Segment assets	35,877	259,170	9,438	38,161	2,912	–	345,558
Segment liabilities	(6,034)	(70,220)	(5,693)	(4,442)	–	–	(86,389)
Segment net assets	29,843	188,950	3,745	33,719	2,912	–	259,169
Investments	–	6	–	–	–	–	6
Cash and cash equivalents and restricted cash	21,580	53,981	6,824	90	–	360	82,835
TOTAL NET ASSETS	**51,423**	**242,937**	**10,569**	**33,809**	**2,912**	**360**	**342,010**
Other Segmental Information							
Depreciation	62	138	–	8,340	–	–	8,540
Profit on disposal of fixed assets	–	(14)	–	(1,503)	–	–	(1,517)
Capital expenditure	71	62	–	9,452	–	–	9,585
Non-current assets	997	3,154	–	33,629	2,912	–	40,692

8. EXCEPTIONAL ITEMS

	2019 €'000	2018 €'000
Realised gain on disposal of investment property	**157**	–
During the year a gain resulted from the disposal of an investment property		
Net gain from fair value adjustment in investment properties	**7**	164

At the year end, a review of the fair value of investment properties was undertaken and this resulted in a net gain recorded in the income statement.

	2019 €'000	2018 €'000
Revaluation increase in land and buildings	**587**	–

At the year end, a review of the fair value of land and buildings was undertaken and this resulted in a net gain recorded in the income statement.

9. FINANCE INCOME

	2019 €'000	2018 €'000
Bank interest receivable	**23**	33
Other finance income on defined benefit pension scheme (note 32)	**45**	95
	68	128

FINANCE COSTS

	2019 €'000	2018 €'000
Interest payable	**(1)**	(3)

10. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	2019 €'000	2018 €'000
The profit on ordinary activities before taxation is arrived at after (crediting) / charging:		
Profit on disposal of property, plant and equipment	**(2,755)**	(1,517)
Gain on disposal of investment property	**(158)**	–
Fair value adjustment of investment properties	**(7)**	(164)
Revaluation increases in land and buildings	**(587)**	–
Foreign currency losses / (gains)	**504**	(1,221)
Operating lease rentals:		
– Rent of building	**30**	29
– Hire of plant and machinery	**274**	311
Depreciation	**9,618**	8,540
Auditor's remuneration		
– statutory audit of the Group and subsidiaries	**147**	142
– taxation services	**28**	33
– out of pocket expenses	**20**	21

11. EMPLOYMENT

The average number of persons employed by the Group, including executive directors, in the financial year was 229 (2018: 234) and is analysed by class of Business as follows:

	2019 Number	2018 Number
Building and property development		
Ireland	**11**	11
United Kingdom	**77**	74
Plant hire and rental		
United Kingdom	**141**	149
	229	234

Employment costs comprise:	2019 €'000	2018 €'000
Wages and salaries	**12,300**	11,304
Social welfare costs	**1,388**	1,271
Pension costs	**736**	665
	14,424	13,240

Included in pension costs are €230,000 (2018: €239,000) in respect of defined benefit schemes and €506,000 (2018: €426,000) in respect of defined contribution schemes. Details of the Directors' emoluments are set out in the Remuneration Report on page 12.

12. TAXATION

(a) Tax charged to the income statement:	2019 €'000	2018 €'000
Irish Corporation Tax at 12.50% (2018: 12.50%)		
Current	**301**	705
Tax losses utilized	**(232)**	(630)
United Kingdom Corporation Tax at 19.00% (2018: 19.00%)		
Current	**9,260**	9,584
Czechia Corporation Tax at 19.00% (2018: 19.00%)		
Current	**287**	300
Adjustment in respect of previous year	**(30)**	(27)
Total current corporation tax	**9,586**	9,932
Deferred tax: originating and reversal of temporary differences (note 24)	**244**	(233)
Tax charge to the income statement	**9,830**	9,699
Tax relating to items charged or credited to statement of comprehensive income		
Deferred tax (note 24)	**(137)**	(343)

There is no expiry date on the Irish tax losses.

(b) Factors affecting current tax charge

The following table relates the applicable United Kingdom statutory tax rate to the effective tax rate of the Group, obtained by computing the tax charge as a percentage of the profit on ordinary activities before taxation:

	2019 (% of profit before taxation)	2018 (% of profit before taxation)
UK corporation tax rate	**19.00**	19.00
Lower tax rates on Irish profits and passive income	**(0.19)**	(0.62)
Tax losses utilised	**(0.44)**	(1.07)
Adjustment for previous year	**(0.06)**	(0.05)
Other	**(1.20)**	(1.02)
Deferred tax	**0.46**	(0.40)
Permanent differences	**0.97**	0.70
	18.54	16.54

The movement on deferred tax relates primarily to the origination and reversal of temporary differences as detailed in note 24 and includes temporary differences on accounting for IAS 19R 'Employee Benefits'.

Tax relating to items charged or credited to other comprehensive income

A total of €137,000 (2018: credited €343,000) has been credited to other comprehensive income for the year ended 30 April 2019 and this comprises the following:

- €137,000 (2018: tax credit €343,000) relates to deferred tax movement on actuarial loss on the Group's defined benefit obligations.

13. DIVIDENDS

	2019 €'000	2018 €'000
On Ordinary Equity Shares		
Paid ordinary		
Dividend of 10.00 cents per issued ordinary share (2018: 9.00 cents per share)	**2,144**	1,930
Dividend of 100.00 cents per issued ordinary share (2018: nil cents per share)	**21,439**	–
Dividend of 9.00 cents per issued ordinary share (2018: 8.00 cents per share)	**1,930**	1,715
	25,513	3,645
Ordinary dividends proposed (memorandum disclosure)		
Proposed 11.00 cents per share (2018: 10.00 cents per share)	**2,356**	2,144

14. EARNINGS PER SHARE: Basic and Diluted

Earnings per share have been calculated by reference to the weighted average number of shares in issue of 21,439,578 (2018: 21,439,578) and to the profit on ordinary activities after taxation amounting to €43,196,000 (2018: €48,929,000).

15. PROPERTY, PLANT AND EQUIPMENT

	Land and buildings €'000	Plant and machinery €'000	Transport €'000	Total €'000
Cost or fair value				
At 1 May 2017	11,067	52,933	4,310	68,310
Translation adjustment	(431)	(2,086)	(165)	(2,682)
Additions	–	8,775	810	9,585
Disposals	–	(6,163)	(527)	(6,690)
At 30 April 2018	10,636	53,459	4,428	68,523
Translation adjustment	262	1,145	90	1,497
Additions	–	12,655	607	13,262
Disposals	–	(9,219)	(401)	(9,620)
Revaluation	2,191	–	–	2,191
At 30 April 2019	13,089	58,040	4,724	75,853
Accumulated depreciation				
At 1 May 2017	1,232	27,469	2,674	31,375
Translation adjustment	(43)	(1,062)	(102)	(1,207)
Charge for the year	102	7,813	625	8,540
Disposals	–	(5,033)	(461)	(5,494)
At 30 April 2018	1,291	29,187	2,736	33,214
Translation adjustment	25	610	57	692
Charge for the year	102	8,943	573	9,618
Disposals	–	(7,615)	(341)	(7,956)
At 30 April 2019	1,418	31,125	3,025	35,568
Carrying amounts				
At 30 April 2019	**11,671**	**26,915**	**1,699**	**40,285**
At 30 April 2018	9,345	24,272	1,692	35,309

Plant and machinery includes assets held for hire with a cost of €56,302,000 (2018: €52,052,000) and accumulated depreciation of €29,872,000 (2018: €28,016,000).

	2019 €'000	2018 €'000
Land and building comprises:		
Freehold property	**11,171**	8,923
Long leasehold property	**500**	422
	11,671	9,345
The historical cost of land and buildings amounts to:		
Land and buildings	**6,564**	6,837

Ireland

Fair value of the properties in Ireland were determined using rental yields. Valuations performed by the valuer are based on expected yield of properties being rented. As at the date of revaluation of 30 April 2019, the properties' fair values are based on valuations performed by Bagnell, Doyle, McMahon Chartered Surveyors, an accredited independent valuer. The Directors have considered the valuation of the properties as at 30 April 2019 and are satisfied that the valuation as presented above represents the fair value of these properties at year–end.

15. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

United Kingdom
Fair value of the properties in the United Kingdom were determined by using market comparable information and rental yields. Valuations performed by the valuer are based on active market prices, adjusted for the difference in nature, location or condition of the specific property. As at the date of revaluation of 30 April 2019, the properties' fair values are based on valuations performed by Glenny, Chartered Surveyors, an accredited independent valuer. The Directors have considered the valuation of the properties as at 30 April 2019 and are satisfied that the valuation as presented above represents the fair value of these properties at year-end.

16. INVESTMENT PROPERTIES

	2019	2018
	€'000	€'000
Fair value		
At 1 May	**2,912**	2,763
Translation adjustment	**17**	(15)
Disposals	**(434)**	–
Fair value adjustment	**7**	164
	2,502	2,912

The above investment properties represent commercial units which are let to third parties under operating leases.

Ireland
Fair value of the properties in Ireland were determined using rental yields. Valuations performed by the valuer are based on expected yield of properties being rented. As at the date of revaluation of 30 April 2019, the properties' fair values are based on valuations performed by Bagnell, Doyle, McMahon, Chartered Surveyors, an accredited independent valuer The Directors have considered the valuation of the properties as at 30 April 2019 and are satisfied that the valuation as presented above represents the fair value of these properties at year–end.

United Kingdom
Fair value of the properties in the United Kingdom were determined by using market comparable information and rental yields. Valuations performed by the valuer are based on active market prices, adjusted for the difference in nature, location or condition of the specific property. As at the dates of revaluation of 30 April 2019, the properties' fair values are based on valuations performed by Glenny, Chartered Surveyors, an accredited independent valuer. The Directors have considered the valuation of the properties as at 30 April 2019 and are satisfied that the valuation as presented above represents the fair value of these properties at year–end.

17. INVESTMENTS AND FINANCIAL INVESTMENTS

	2019	2018
	€'000	€'000
Ordinary shares at cost		
Non-listed company	**6**	6

18. TRADE AND OTHER RECEIVABLES

	2019	2018
Amount falling due within one year	€'000	€'000
Trade receivables	**14,365**	14,538
Other receivables	**2,079**	8,713
Value added tax	**793**	6,298
Prepayments and accrued income	**657**	515
	17,894	30,064

Trade receivables are generally on 30-60 day terms and are shown net of a provision for impairment. At 30 April 2019 trade receivables amounting to €768,000 (2018: €720,000) were older than the Group's standard credit terms but not deemed to be impaired. At 30 April 2019, trade receivables with a value of €369,000 (2018: €317,000) were impaired and fully provided for. The movement in the bad debt provision is not considered material, nor does it relate to significant individual receivables.

19. INVENTORIES

	2019 €'000	2018 €'000
Building land and roads	**206,575**	212,061
Work in progress	**66,045**	61,306
Raw materials	**1,665**	1,441
	274,285	274,808

20. RESTRICTED CASH

	2019 €'000	2018 €'000
Cash held in escrow accounts	**2,011**	3,955

Restricted cash is held in escrow accounts in respect of house unit sales in Czechia. These funds, together with any interest earned, will be released to the Group when title to the units are transferred to the purchasers.

CASH AND CASH EQUIVALENTS

Cash at bank and in hand	**97,110**	78,880

Short–term deposits are made for varying periods of between one day and one month depending on the immediate cash requirements of the Group. The fair value of cash and cash equivalents is €97,110,000 (2018: €78,880,000). The Group had no undrawn borrowing facilities at the year end (2018: €Nil).

21. TRADE AND OTHER PAYABLES

	2019 €'000	2018 €'000
Amount falling due within one year		
Trade creditors	**21,969**	22,535
Amounts outstanding on land	**26,433**	42,103
PAYE	**284**	261
Social welfare tax	**233**	241
Value added tax	**1,106**	1,489
Other creditors	**2,069**	1,043
Accruals	**9,751**	9,227
Deferred income	**1,748**	3,439
	63,593	80,338

Terms and conditions of the above financial liabilities:

- Trade creditors are non–interest bearing and are normally settled between 30–90 day terms.
- Amounts outstanding on land are non–interest bearing and settlement is dependent on terms of the contract.
- United Kingdom PAYE, social welfare and value added tax are normally settled on 30 day terms.
- Other payables are non–interest bearing and settlement is dependent on the terms of the payable.

22. INCOME TAX PAYABLE

	2019 €'000	2018 €'000
Income tax payable	**4,594**	4,948

23. PROVISIONS

	2019 €'000	2018 €'000
Maintenance provisions		
At 1 May	**1,103**	1,035
Arising during the year	**560**	557
Utilised	**(496)**	(676)
Released during year	**(246)**	187
At 30 April	**921**	1,103
Analysed as:		
Current liabilities	**536**	471
Non-current liabilities	**385**	632
	921	1,103

The maintenance provision represents the best estimate of the Group's liability under warranties given to purchasers for repair and maintenance work on houses sold based on past experience of required repairs. The warranties given to purchasers are provided at the point of legal completion and are released over the warranty period. It is anticipated that the majority of these costs will be incurred in the next financial year, or released as the liability for the warranty is discharged.

24. DEFERRED TAXATION

	Pension Obligation 2019 €'000	Accelerated Capital Allowances 2019 €'000	Other 2019 €'000	**Total 2019 €'000**	Total 2018 €'000
At 1 May – *Non-current asset*	(297)	469	546	**718**	122
Translation adjustment	(3)	10	(4)	**3**	20
Recognised in income statement	(9)	21	(256)	**(244)**	233
Equity movement	137	–	–	**137**	343
At 30 April	(172)	500	286	**614**	718

Unrecognised Deferred Tax Asset
A potential deferred tax asset of €1,543,000 (2018: €1,609,000) has not been recognised as there is uncertainty regarding the availability of future Irish taxable profits against which the tax losses may be utilised.

25. ISSUED SHARE CAPITAL

	2019 €'000	2018 €'000
Authorised		
At 1 May and 30 April 45,000,000 ordinary shares of 32 cents each	**14,400**	14,400

Allotted, called up and fully paid	**2019 Number '000**	2018 Number '000	**2019 €'000**	2018 €'000
At 1 May and 30 April ordinary shares of 32 cents each	**21,440**	21,440	**6,861**	6,861

Capital Redemption Reserve Fund		
At 1 May and 30 April	5,522	5,522

Capital redemption reserve fund
The capital redemption reserve fund records the nominal value of the shares repurchased.

26. RESERVES

	Share Premium Account €'000	Revaluation Reserve €'000	Currency Translation €'000
At 1 May 2017	13,321	5,103	(23,748)
Translation adjustment arising in year	–	(205)	(9,760)
At 1 May 2018	13,321	4,898	(33,508)
Translation adjustment arising in year	–	98	5,840
Increase in revaluation surplus	–	1,412	–
At 30 April 2019	**13,321**	**6,408**	**(27,668)**

The revaluation reserve is in respect of:	€'000
Land and buildings	6,408

Share premium reserve
The share premium reserve records the amount received for equity shares in excess of the nominal value.

Revaluation reserve
The revaluation reserve is used to record increases in the fair value of land and buildings and decreases to the extent that such decreases relates to an increase on the same asset previously recognised in equity.

Currency translation reserve
The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of Group companies which do not have euro as their presentational currency. The reserve also includes presentation foreign exchange differences.

27. RETAINED EARNINGS

	Note	**2019 €'000**	2018 €'000
Retained earnings at beginning of year		**344,916**	301,306
Profit retained for the financial year		**43,196**	48,929
Equity dividends paid	13	**(25,513)**	(3,645)
Increase in revaluation surplus		**233**	–
Actuarial loss on Group defined benefit pension obligations		**(804)**	(2,017)
Deferred tax movement relating to actuarial loss on Group defined benefit pension obligations		**137**	343
At 30 April		**362,165**	344,916

28. FAIR VALUE HIERARCHY

The Group uses the following hierarchy for determining and disclosing the fair value of investment properties, land and buildings and financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets;
Level 2: significant observable inputs;
Level 3: significant un–observable inputs.

		2019 €'000	2018 €'000
Land and buildings (refer note 15)			
Commercial properties	Level 2	**11,671**	9,345
Investment properties (refer note 16)			
Commercial properties	Level 2	**2,502**	2,912

There were no fair value hierarchy measured at Level 3.

29. FINANCIAL RISK MANAGEMENT

The Group's principal financial assets and liabilities comprise cash, short term deposits and various items such as trade receivables and trade payables that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the Group's operations.

The main risks arising from the Group's financial instruments are interest rate and foreign currency risks.

Interest rate risk
The Group's exposure to the risk on interest rate changes in the market relates primarily to the Group's customers ability to raise finance in respect of development sites.

Foreign currency risk
As a result of significant operations in the United Kingdom and to a lesser extent Czechia, the Group's balance sheet can be significantly affected by movements in the UK£/euro and CZK/euro exchange rates. The following table demonstrates the sensitivity to a reasonable possible change in the UK sterling exchange rate, with all other variables held constant, of the Group's profit / (loss) before tax and the Group's equity.

	Increase / decrease in UK sterling rate	(Decrease) / Increase on profit before tax €'000	(Decrease) / Increase on equity €'000
2018	+5%	(2,328)	(13,295)
	-5%	2,573	14,661
2019	**+5%**	**(1,210)**	**(14,366)**
	-5%	**1,337**	**15,878**

30. CAPITAL COMMITMENTS

There are no capital commitments contracted for at the balance sheet date (2018: €Nil).

31. LEASES

Future minimum rentals payable under non–cancellable operating leases at 30 April are as follows

	2019 €'000	2018 €'000
Leases on land and buildings:		
Within one year	**30**	30
Between two and five years	**91**	89
After more than five years	**111**	117
	232	236

Operating leases on plant and machinery carry no future commitments.

32. PENSIONS

The Group operates one defined benefit scheme in the United Kingdom.

The most recent triennial actuarial valuation of the Abbey Group Limited Pension and Life Assurance Scheme was carried out as at 1 May 2017 using the projected unit method. The assumptions which have the most significant effect on the results of the valuations are those made in respect of the rate of return on investments and the rate of increase in salaries and pensions. The assumptions made were that the rates of return on investments would exceed the rates of salary increases by 3.10% per annum and that the rate of pension increase would be 3.25% per annum.

The costs of providing UK death in service benefits, which are insured under a separate agreement with Canada Life were paid in addition to the employer contributions.

As at 30 April 2018, the total value placed on the assets of the Group's pension plan for the purposes of the valuations amounted to €39.79 million and was sufficient to cover 118% of the scheme's liabilities. The Group will continue to make contributions into the scheme at a contribution rate of 24.1% from 1 May 2018. The employer expects to make contributions of €173,000 in the coming financial year.

With effect from 1 May 2006 pensionable salaries have been frozen and the scheme has contracted back into the State Earnings Related Pension Scheme. The Irish Scheme was wound up in April 2007.

The actuarial valuations are not available for public inspection.

Defined Benefit Scheme
Actuarial valuations in accordance with IAS 19R were carried out at 30 April 2019 by a qualified independent actuary. The actuarial reports are available to the pension scheme members only.

The major assumptions used by the actuary were:	**2019**	2018
Pensionable salary growth	**Nil % pa**	Nil % pa
Pension escalation in payment	**3.70 % pa**	3.50 % pa
Discount rate	**2.40 % pa**	2.60 % pa
Inflation assumption - retail price index	**3.40 % pa**	3.20 % pa
Inflation assumption - consumer price index	**2.60 % pa**	2.40 % pa
Post-retirement modality (in years)		
Current pensioners at 65 - males	**21.9**	22.0
Current pensioners at 65 - females	**24.2**	24.2
Future pensioners at 65 - males	**23.3**	23.4
Future pensioners at 65 - females	**25.6**	25.7

Fair value of defined benefit assets are as follows:	**2019**	2018
	€'000	€'000
Bonds (quoted UK government gilts)	**20,809**	20,100
Shares (quoted on stock exchange)	**17,292**	17,719
Cash and short term deposits	**1,905**	889
Fair value of assets	**40,006**	38,708
Present value of scheme liabilities in respect of active and deferred members	**(38,996)**	(36,961)
Defined benefit pension scheme surplus	**1,010**	1,747

The defined benefit scheme in the United Kingdom was closed to new entrants on 1 January 2001. As this scheme is closed to new entrants the age profile of the active members will rise significantly causing the current service cost to increase as the members of the scheme approach retirement.

From 25 June 2003 the United Kingdom pension scheme became self–administered. The assets previously held with an insurance company were transferred for cash to the Trustee Company who has subsequently invested the funds in UK Government Bonds and equities. The Trustee Company has an investment policy to look to maximise return, based on an acceptable level of risk and therefore investment in other forms, such as the stock exchange may be potentially viable.

32. PENSIONS (CONTINUED)

The amounts recognised in the Group Income Statement and in the Group Statement of Comprehensive Income are as follows:

	2019 €'000	2018 €'000
Recognised in the income statement		
Current service cost	**(230)**	(239)
Recognised in administrative expenses in the income statement, in arriving at operating profit	**(230)**	(239)
Interest income on net scheme assets	**45**	95
Net debit	**(185)**	(144)
Taken to the statement of comprehensive income		
Actuarial gain	**149**	260
Experienced gain / (loss)	**512**	(1,559)
Actuarial changes arising from changes in financial assumptions	**(1,465)**	(718)
Actuarial losses recognised in statement of comprehensive income	**(804)**	(2,017)
Changes in the fair value of defined benefit pension obligations		
As at 1 May	**36,961**	36,489
Current service cost	**230**	239
Member contributions	**31**	33
Interest costs	**948**	887
Benefits paid	**(902)**	(1,510)
Exchange translation	**775**	(1,454)
Actuarial loss	**953**	2,277
As at 30 April	**38,996**	36,961

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

Assumption	*Change in assumption*	*Revised value of Scheme liabilities* 2019 €'000	2018 €'000
Discount rate	Decrease by 0.5%	**42,895**	40,658
Rate of inflation	Increase by 0.5%	**40,361**	38,440
Rate of mortality	Increase by 1 year	**40,165**	38,070

	2019 €'000	2018 €'000
Changes in the fair value of defined benefit scheme assets		
As at 1 May	**38,708**	40,341
Interest income on scheme assets	**993**	982
Employer contributions	**236**	226
Contributions by employees	**31**	33
Benefits paid	**(902)**	(1,510)
Exchange translation	**791**	(1,624)
Actuarial gain	**149**	260
As at 30 April	**40,006**	38,708

Amounts for the current and previous periods	**2019 €'000**	2018 €'000	2017 €'000	2016 €'000	2015 €'000
Fair value of scheme assets	**40,006**	38,708	40,341	39,396	41,600
Present value of defined benefit obligation	**(38,996)**	(36,961)	(36,489)	(32,108)	(37,595)
Surplus in scheme	**1,010**	1,747	3,852	7,288	4,005
Experience adjustments arising on scheme liabilities	**512**	(1,559)	378	(95)	62
Experience adjustments arising on scheme assets	**149**	260	2,945	93	3,638

33. RELATED PARTY TRANSACTIONS

During the year the Group entered into transactions, in the ordinary course of business, with other related parties. These transactions were intra segment and have been eliminated on consolidation.

There were no related party transactions with Directors, who are considered key management personnel, other than through their employment in the business. The remuneration of and transactions with all directors under the Companies Act 2014 have been disclosed in the remuneration report and the corporate governance reports.

34. ULTIMATE PARENT UNDERTAKING

The directors consider that the immediate parent undertaking of the company is Gallagher Holdings Limited and the ultimate parent undertaking to be Shrewsbury Holdings Limited, a company incorporated in Jersey. Copies of the accounts of Gallagher Investments Limited, which is the largest group in which the Company is consolidated, can be obtained from its registered office at Pendragon House, 65 London Road, St. Albans, Hertfordshire, AL1 1LJ, England.

35. SUBSEQUENT EVENTS

Further to the authority granted at the Annual General Meeting on 5 October 2018 the company has purchased, after the financial year end, for cancellation 20,000 ordinary shares at a cost of €293,000.

Company Income Statement

For The Year Ended 30 April 2019

	Note	2019 €'000	2018 €'000
Administrative expenses		**(713)**	(414)
Fair value adjustment investment property	C7	**681**	–
Other operating income		**26,679**	17
Operating profit / (loss) – continuing operations		**26,647**	(397)
Finance income	C8	**950**	670
Profit before taxation	C9	**27,597**	273
Income tax expense	C10	**(104)**	(54)
Profit attributable to equity shareholders of the parent		**27,493**	219

Company Statement of Comprehensive Income

For The Year Ended 30 April 2019

	2019 €'000	2018 €'000
Profit attributable to equity shareholders of the parent	**27,493**	219
Items that may be reclassified subsequently to the income statement		
Foreign currency translation	**448**	(1,003)
Other comprehensive income / (loss) for the year, net of tax	**448**	(1,003)
Total comprehensive income / (loss) for the year, net of tax, attributable to equity shareholders of the parent	**27,941**	(784)

Company Statement of Changes in Equity

For The Year Ended 2019

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Attributable to equity holders	Issued Capital €'000	Share Premium €'000	Capital Redemption Reserve Fund €'000	Currency Translation €'000	Retained Earnings €'000	**Total €'000**
At 1 May 2018	6,861	13,321	5,522	1,065	16,599	**43,368**
Profit for the year	–	–	–	–	27,493	**27,493**
Other comprehensive income, net of tax	–	–	–	448	–	**448**
Total comprehensive income, net of tax, attributable to equity shareholders	–	–	–	448	27,493	**27,941**
Equity dividends paid	–	–	–	–	(25,513)	**(25,513)**
At 30 April 2019	6,861	13,321	5,522	1,513	18,579	**45,796**

Company Statement of Changes in Equity

For The Year Ended 30 April 2018

Attributable to equity holders	Issued Capital €'000	Share Premium €'000	Capital Redemption Reserve Fund €'000	Currency Translation €'000	Retained Earnings €'000	**Total €'000**
At 1 May 2017	6,861	13,321	5,522	2,068	20,025	**47,797**
Profit for the year	–	–	–	–	219	**219**
Other comprehensive loss, net of tax	–	–	–	(1,003)	–	**(1,003)**
Total comprehensive (loss) / income, net of tax, attributable to equity shareholders	–	–	–	(1,003)	219	**(784)**
Equity dividends paid	–	–	–	–	(3,645)	**(3,645)**
At 30 April 2018	6,861	13,321	5,522	1,065	16,599	**43,368**

Company Balance Sheet
At 30 April 2019

ASSETS	Note	2019 €'000	2018 €'000
Non-current assets			
Investment properties	C12	**2,268**	1,539
Financial Assets	C13	**23,530**	23,530
		25,798	25,069
Current assets			
Trade and other receivables	C14	**19,531**	17,759
Cash and cash equivalents	C15	**1,546**	1,332
		21,077	19,091
TOTAL ASSETS		**46,875**	44,160
LIABILITIES			
Current liabilities			
Trade and other payables	C16	**(981)**	(743)
Income tax payable	C17	**(98)**	(49)
		(1,079)	(792)
NET CURRENT ASSETS		**19,998**	18,299
TOTAL LIABILITIES		**(1,079)**	(792)
NET ASSETS		**45,796**	43,368
EQUITY			
Equity attributable to equity holders of the parent			
Issued capital	C18	**6,861**	6,861
Share premium	C19	**13,321**	13,321
Other reserves			
- Capital redemption reserve fund	C18	**5,522**	5,522
- Currency translation	C19	**1,513**	1,065
Retained earnings		**18,579**	16,599
TOTAL EQUITY	C20	**45,796**	43,368
TOTAL EQUITY AND LIABILITIES		**46,875**	44,160

Approved by the Board on 10 July 2019

C.H. GALLAGHER, Chairman

L.G. FRAQUELLI, Director

Company Cash Flow Statement

For The Year Ended 30 April 2019

	Note	2019 €'000	2018 €'000
Cash flows from operating activities			
Profit before taxation		**27,597**	273
Adjustment to reconcile profit before tax to net cash flows Non cash:			
Fair value adjustment investment property	C7	**(681)**	–
Finance income	C8	**(950)**	(670)
Working capital adjustments:			
(increase) / decrease in trade and other receivables		**(1,379)**	3,413
Increase in trade and other payables		**217**	83
Income taxes paid		**(57)**	(26)
Net cash inflow from operating activities		**24,747**	3,073
Cash flows from investing activities			
Finance income	C8	**950**	670
Net cash inflow from investing activities		**950**	670
Cash flows from financing activities			
Equity dividends paid	C11	**(25,513)**	(3,645)
Net cash outflow from financing activities		**(25,513)**	(3,645)
Increase in cash and cash equivalents		**184**	98
Cash and cash equivalents at start of year		**1,332**	1,285
Net foreign exchange differences		**30**	(51)
Cash and cash equivalents at end of year		**1,546**	1,332

C1. AUTHORISATION OF FINANCIAL STATEMENTS

The Financial Statements of Abbey plc for the year ended 30 April 2019 were authorised for issue in accordance with a resolution of directors on 10 July 2019. Abbey plc is a publicly traded entity incorporated in the Republic of Ireland. The company's shares are listed on Euronext Growth Dublin and the AIM on the London Stock Exchange.

C2. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS")

In the current year, the Company has adopted all of the new and revised Standards and Interpretations issued by the International Accounting Standards Board (IASB), the International Financial Reporting Interpretations Committee (IFRIC) of the IASB and the annual improvements to IFRS 2014 to 2016 cycle that are relevant to its operations. Adoption of these standards and interpretations did not have any material effect on the financial performance or financial position of the Company in the current or prior periods.

C3. STATEMENT OF COMPLIANCE

The financial statements of Abbey plc have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted for use in the European Union, as they apply to the financial statements for the year ended 30 April 2019, and with Companies Act 2014 as applicable to IFRS reporters.

C4. BASIS OF PREPARATION

The financial statements have been prepared on the historical cost basis except investment property that have been measured at fair value. The accounting policies which follow set out these policies which apply in preparing the financial statements for the year ended 30 April 2019.

Abbey plc has its functional currency as sterling but continues to present its financial statements in euro.

C5. ACCOUNTING POLICIES

Revenue Recognition
Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration receivable. Revenue represents the value of goods and services supplied to external customers. The following criteria must also be met before revenue is recognised.

Property rental
Revenue is recognised on a straight line basis over the period of the lease term, net of value added tax.

Interest income
Revenue is recognised as interest accrues in the period.

Trade and other receivables
Trade receivables are recognised and carried at the lower of their original invoiced value and recoverable amount.

Where the time value of money is material, receivables are carried at amortised cost. Provision is made when there is objective evidence that the Company will not be able to recover balances in full. Balances are written off when the probability of recovery is assessed as being remote.

Cash and cash equivalents
Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short–term deposits with an original maturity of three months or less.

For the purpose of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above.

Trade and other payables
Trade payables are stated at their fair value. Trade payables on extended terms are recorded at their fair value at the period end, with any discount to fair value amortised over the period of the credit term and charged to finance costs.

Taxes
Current income tax
Current income tax assets and liabilities for the year are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted for the financial year.

C5. ACCOUNTING POLICIES (Continued)

Foreign currency
The financial statements are presented in euro, which is the Company's presentational currency. Abbey plc changed its functional currency to sterling effective 1 May 2011 as a result of determining that its assets and liabilities are now primarily held in sterling and that it was a UK tax resident company. Transactions in foreign currencies are initially recorded at the functional currency rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the balance sheet date with all differences taken to the income statement. Differences on monetary assets and liabilities that form part of the net investment in a foreign operation are taken directly to equity until the disposal of the net investment, at which time they are recognised in the income statement. Non monetary items that are measured in terms of historical cost in foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements to presentational currency.

Leases
Company as a lessor
Assets leased out under operating leases are included in property and are depreciated over their estimated useful lives. Rental income is recognised on a straight line basis over the lease term.

Impairment of non financial assets
The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre–tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. Impairment losses on continuing operations are recognised in the income statement in those expense categories consistent with the function of the impaired asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is only reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the income statement unless the asset is carried at the revalued amount in which case the reversal is treated as a revaluation decrease. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

Investment properties
Certain of the Company's surplus properties are classified as investment properties, being held for long–term investment and to earn rental income.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the balance sheet date. Gains or losses arising from the changes in fair value of investment properties are included in the income statement in the period in which they arise.

Investment properties are derecognised when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal.

Any gains or losses on the retirement or disposal of an investment property are recognised in the income statement in the year of retirement or disposal.

Financial assets
Recognition and derecognition of financial assets and liabilities

Financial assets are recognised when the Company becomes party to the contractual provisions of the instrument. The derecognition of financial assets takes place when the Company no longer has the right to cash flows, the risks and rewards of ownership, or control of the asset.

Provisions
Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the obligation. Provisions are measured at the expected expenditure required to settle the obligation and are discounted to present value where the effect is material.

Where the Company expects some or all of the provisions to be reimbursed, the reimbursement is recognised as a separate asset but only when recovery is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

Dividends
Dividends paid are charged to retained earnings on the date of payment.

C5. ACCOUNTING POLICIES (Continued)

Accounting judgements and estimates
The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year.

New standards and interpretations not applied
IASB and the IFRS Interpretations Committee have issued the following standards and interpretations with an effective date after the date of these financial statements:

International Accounting Standards (IAS / IFRSs)		**Effective Date***
IFRS 16	Leases	1 January 2019
IFRS 9	Amendments to Prepayment features with negative Compensation	1 January 2019
IAS 28	Amendments to Long-term interests in Associates and Joint Arrangements	1 January 2019
IFRS 17	Insurance Contracts	1 January 2021

There are no other new standards and interpretations that will have an impact on the accounting policies.

The Directors do not anticipate that the adoption of the remaining standards and interpretations will have a material impact on the financial statements in the period of initial application.

* *The effective dates stated here are those given in the original IASB/IFRIC standards and interpretations. As the Company has elected to prepare their financial statements in accordance with IFRS as adopted by the European Union, the application of new standards and interpretations will be subject to them having been endorsed by the EU via the EU endorsement mechanism. In the majority of cases this will result in an effective date consistent with that given in the original standard or interpretation but the need for endorsement restricts the Company's discretion to early adopt standards. The effective date means for accounting periods beginning on or after the effective date above.*

C6. STAFF COSTS

There are no staff directly employed b the Company (2018: Nil).

C7. FAIR VALUE ADJUSTMENT INVESTMENT PROPERTY

	2019 €'000	2018 €'000
Net gain from fair value of investment property	**681**	–

During the year a review of the fair value of the investment property was undertaken and this resulted in a net gain to the income statement.

C8. FINANCE INCOME

	2019 €'000	2018 €'000
Interest receivable from group undertaking	**950**	670

C9. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	2019 €'000	2018 €'000
The profit on ordinary activities before taxation is arrived at after charging / (crediting):		
Directors fees	**214**	198
Management Charges	**125**	132
Dividends received	**(26,674)**	–
Operating lease rentals:		
– Rent of building	**(131)**	(130)
Foreign exchange loss / (gain)	**307**	(19)
Auditor's remuneration		
– statutory audit of the Group and subsidiaries	**50**	50
– taxation services	**5**	8

C10. TAXATION

(a) Tax charged to the income statement:	2019 €'000	2018 €'000
United Kingdom Corporation Tax at 19.00% (2018: 19.00%)		
Current	**104**	54
Total current corporation tax charged to the income statement	**104**	54

(b) Factors affecting current tax charge
The following table relates the applicable United Kingdom statutory tax rate to the effective tax rate, obtained by computing the tax charge as a percentage of the profit on ordinary activities before taxation:

	2019 (% of profit before taxation)	2018 (% of profit before taxation)
UK corporation tax rate	**19.00**	19.00
Income / expenses not deducted for tax purposes	**(18.16)**	0.88
Fair value adjustment	**(0.46)**	–
	0.38	19.88

C11. DIVIDENDS

	2019	2018
On Ordinary Equity Shares	€'000	€'000
Paid ordinary		
Dividend of 10 cents per issued ordinary share (2018: 9 cents per share)	**2,144**	1,930
Dividend of 100 cents per issued ordinary share (2018: nil cents per share)	**21,439**	–
Dividend of 9 cents per issued ordinary share (2018: 8 cents per share)	**1,930**	1,715
	25,513	3,645
Ordinary dividends proposed (memorandum disclosure)		
Proposed 11.00 cents per share (2018: 10.00 cents per share)	**2,356**	2,144

C12. INVESTMENT PROPERTY

	2019	2018
Fair value	€'000	€'000
At 1 May	**1,539**	1,604
Translation adjustment	**48**	(65)
Fair value adjustment	**681**	–
At 30 April	**2,268**	1,539

The above investment property represents a commercial office that is let to a subsidiary company under operating leases.

United Kingdom
Fair value of the properties in the United Kingdom were determined by using market comparable information and rental yields. Valuations performed by the valuer are based on active market prices, adjusted for the difference in nature, location or condition of the specific property. As at the date of revaluation of 30 April 2019, the properties' fair values are based on valuations performed by Glenny, Chartered Surveyors, an accredited independent valuer. The Directors have considered the valuation of the properties as at 30 April 2019 and are satisfied that the valuation as presented above represents the fair value of these properties at year–end.

C13. FINANCIAL FIXED ASSETS

	2019	2018
Shares in unlisted subsidiary undertakings at cost:	€'000	€'000
Ordinary share capital at the beginning and end of year	**23,530**	23,530

The shares in subsidiary undertakings, which are all wholly owned, represent the full amount of called up share capital in those undertakings, all of which are ordinary shares. The principal subsidiary undertakings are as follows:

Incorporated in the Republic of Ireland	*Nature of business*	*Registered office*
Abbey Holdings Limited	Investment holding company	9 Abbey House, Main Street Clonee, Co. Meath
Kingscroft Developments Limited	Residential housing and land development	as above
Incorporated in the United Kingdom	*Nature of business*	*Registered office*
Abbey Group Limited	Investment holding company	Abbey House 2 Southgate Road Potters Bar, Hertfordshire EN6 5DU England
Abbey Developments Limited	Residential housing and land development	as above
Abbey Investments Limited	Property investment	as above
M&J Engineers Limited	Plant hire	Cashel House, Cadwell Lane Hitchin, Hertfordshire SG4 0SQ England
Incorporated in Czechia	*Nature of business*	*Registered office*
Abbey, s.r o.	Residential housing and land development	Terronska 7 160 00 Prague 6 Czechia

The principal place of business of all subsidiary undertakings is in the country of incorporation.

C14. TRADE AND OTHER RECEIVABLES

	2019 €'000	2018 €'000
Amount falling due within one year		
Amounts due from subsidiary undertaking	**19,529**	17,759
Value added tax	**2**	–
	19,531	17,759

Amounts due from subsidiary undertaking falling due within one year are receivable on demand, unsecured and subject to a market rate of interest.

C15. CASH AND CASH EQUIVALENTS

	2019 €'000	2018 €'000
Cash at bank and in hand	**1,546**	1,332

The fair value of cash and cash equivalents is €1,546,000 (2018: €1,332,000).
The Company had no undrawn borrowing facilities at the year end (2018: €Nil).

C16. TRADE AND OTHER PAYABLES

	2019 €'000	2018 €'000
Amount falling due within one year		
Value added tax	–	34
Other creditors	**883**	611
Accruals and deferred income	**98**	98
	981	743

Terms and conditions of the above financial liabilities:
- United Kingdom PAYE, social welfare and value added tax are normally settled on 30 day terms.
- Other payables are non–interest bearing and settlement is dependent on the terms of the payable.

C17. INCOME TAX PAYABLE

	2019 €'000	2018 €'000
Income tax payable	**98**	49

C18. ISSUED SHARE CAPITAL

	2019 €'000	2018 €'000
Authorised		
At 1 May and 30 April 45,000,000 ordinary shares of 32 cents each	**14,400**	14,400

Allotted, called up and fully paid	2019 Number '000	2018 Number '000	2019 €'000	2018 €'000
At 1 May and 30 April ordinary shares of 32 cents each	**21,440**	21,440	**6,861**	6,861

	2019 €'000	2018 €'000
Capital Redemption Reserve Fund		
At 1 May and 30 April	**5,522**	5,522

Capital redemption reserve fund
The capital redemption reserve fund records the nominal value of the shares repurchased.

C19. RESERVES

	Share Premium Account €'000	Currency Translation €'000
At 1 May 2017	13,321	2,068
Translation adjustment arising in year	–	(1,003)
At 1 May 2018	13,321	1,065
Translation adjustment arising in year	–	448
At 30 April 2019	**13,321**	**1,513**

Share premium reserve
The share premium reserve records the amount received for equity shares in excess of the nominal value.

Currency translation reserve
The foreign currency translation reserve includes presentation foreign exchange differences.

C20. TOTAL EQUITY

	Note	2019 €'000	2018 €'000
Retained earnings at beginning of year		**43,368**	47,797
Profit retained for the financial year		**27,493**	219
Equity dividends paid	C10	**(25,513)**	(3,645)
Translation adjustment arising on adjustment to presentation currency		**448**	(1,003)
At 30 April		**45,796**	43,368

C21. FAIR VALUE HIERARCHY

The Company uses the following hierarchy for determining and disclosing the fair value of investment properties, land and buildings and financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets;
Level 2: significant observable inputs;
Level 3: significant un–observable inputs.

		2019 €'000	2018 €'000
Investment properties (refer note C12)			
Commercial properties	Level 2	**2,268**	1,539

There were no fair value hierarchy measured at Levels 1 and 3.

C22. FINANCIAL RISK MANAGEMENT

The principal financial assets and liabilities comprise cash, and various items such as trade receivables and trade payables that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the Company's operations.

The main risks arising from the Company's financial instruments are foreign currency risks.

Foreign currency risk
As a result of significant operations in the United Kingdom, the balance sheet can be significantly affected by movements in the UK£/euro. The following table demonstrates the sensitivity to a reasonable possible change in the UK sterling exchange rate, with all other variables held constant, of the profit / (loss) before tax and equity.

	Increase / decrease in UK sterling rate	(Decrease) / increase on profit before tax €'000	(Decrease) / increase on equity €'000
2018	+5%	(13)	(945)
	-5%	14	1,042
2019	**+5%**	**(99)**	**(1,065)**
	-5%	**109**	**1,177**

C23. CAPITAL COMMITMENTS

There are no capital commitments contracted for at the balance sheet date (2018: €Nil).

C24. RELATED PARTY TRANSACTIONS

During the year the Company entered into transactions, in the ordinary course of business, with related subsidiary companies as follows:

	2019 €'000	2018 €'000
Management charges — Kingscroft Developments Limited	**(23)**	(20)
Management charges — Abbey Group Limited	**149**	152
Interest receivable — Abbey Group Limited	**950**	670
Rental income — Abbey Developments Limited	**131**	130

C25. ULTIMATE PARENT UNDERTAKING

The directors consider that the immediate parent undertaking of the company is Gallagher Holdings Limited and the ultimate parent undertaking to be Shrewsbury Holdings Limited, a company incorporated in Jersey. Copies of the accounts of Gallagher Investments Limited, which is the largest group in which the Company is consolidated, can be obtained from its registered office at Pendragon House, 65 London Road, St. Albans, Hertfordshire, AL1 1LJ, England.

C26. SUBSEQUENT EVENTS

Further to the authority granted at the Annual General Meeting on 5 October 2018 the company has purchased, after the financial year end, for cancellation 20,000 ordinary shares at a cost of €293,000.

C27. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Board of Directors on 10 July 2019.

Notice is hereby given that the annual general meeting ("**AGM**") of Abbey p.l.c. (the "**Company**") will be held in The Grand Hotel, Malahide, County Dublin, at 10.30 a.m. on Friday, 4 October 2019 for the following purposes:

To consider, and, if thought fit, pass the following resolutions as **ordinary resolutions**:

1. To receive and consider the Company's statutory financial statements for the year ended 30 April 2019 together with the reports of the Directors and the statutory auditors thereon, and to review the affairs of the Company.

2. To confirm and declare a dividend of 11 cents per ordinary share for the year ended 30 April 2019.

3. To re-elect as a Director Mr. David A. Gallagher (member of audit committee and remuneration committee) who retires at the AGM under Article 98 of the Company's Articles of Association and, being eligible, offers himself for re-appointment.

4. To elect as a Director Ms. Avril M. Gallagher (member of audit committee and remuneration committee) who retires at the AGM under Article 87 of the Company's Articles of Association and, being eligible, offers herself for appointment.

5. To authorise the Directors to determine the remuneration of the statutory auditors.

6. **THAT** the Directors of the Company be and they are hereby generally and unconditionally authorised, pursuant to Section 1021 of the Companies Act 2014 (the "**2014 Act**") to exercise all of the powers of the Company to allot and issue all relevant securities of the Company (within the meaning of Section 1021 of the 2014 Act) up to an aggregate nominal amount of €7,552,135.04. The authority hereby conferred shall commence on the date of the passing of this Resolution and shall expire at the conclusion of the next annual general meeting of the Company after the passing of this Resolution or at midnight on the date which is 15 calendar months after the date of passing of this Resolution, whichever is the earlier, unless and to the extent that such power is previously renewed, varied or revoked; provided that the Company may make an offer or agreement which would or might require relevant securities to be allotted and issued after such authority has expired and the Directors may allot and issue relevant securities in pursuance of such offer or agreement as if the authority conferred by this Resolution had not expired.

To consider, and, if thought fit, pass the following resolutions as **special resolutions**:

7. **THAT**, subject to and conditional upon Resolution 6 of the Notice of AGM being passed, pursuant to Sections 1022 and 1023(3) of the 2014 Act the Directors be and are hereby empowered to allot equity securities (within the meaning of Section 1023(1) of the Companies Act 2014) for cash pursuant to the authority to allot relevant securities conferred on the Directors by Resolution 5 of this Notice of AGM as if Section 1022(1) of the 2014 Act did not apply to any such allotment, such power to be effective from the time of passing of this Resolution and shall expire at the conclusion of the next annual general meeting of the Company after the passing of this Resolution or at midnight on the date which is 15 calendar months after the date of passing this Resolution (whichever is earlier) unless and to the extent that such power is renewed, revoked, or extended prior to such date but in each case prior to its expiry the Company may make offers, and enter into agreements, which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the authority expires and the Directors may allot equity securities (and sell treasury shares) under any such offer or agreement as if the authority had not expired; and such power being limited to:

   (a) the allotment of equity securities in connection with any one or more offers of securities, open for a period or periods fixed by the Directors, by way of rights issue, open offer, other invitation and/or otherwise to or in favour of collectively the holders of ordinary shares and/or any persons having a right to subscribe for equity securities in the capital of the Company at such record dates as the Directors may determine where the equity securities respectively attributable to the interests of such holders are proportional (as nearly as may reasonably be) to the respective number of ordinary shares held by them and subject thereto to the allotment in any case by way of placing or otherwise of any securities not taken up in such issue or offer to such persons as the Directors may determine; and; generally, subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to legal or practical problems (including dealing with any fractional entitlements and/or arising in respect of any overseas shareholders) under the laws of, or the requirements of any regulatory body or stock exchange in, any territory; and/or

   (b) the allotment (otherwise than pursuant to sub paragraph (a) above) of equity securities up to a maximum aggregate nominal amount of €342,393.

8. **THAT** pursuant to Section 1074 of the 2014 Act, the Company and any subsidiary of the Company (as defined by Section 7 of the 2014 Act) be and they are hereby generally authorised to make market purchases and overseas market purchases (in each case as defined by Section 1072 of the 2014 Act) of ordinary shares in the capital of the Company on such terms and conditions and in such manner as the Directors may in their discretion determine from time to time; but subject however to the applicable provisions of the 2014 Act and to the following restrictions and provisions:

   (a) the maximum number of ordinary shares authorised to be acquired shall not exceed 5% of the ordinary share capital of the Company in issue at 6pm on the date on which this Resolution is passed;

   (b) the minimum price (excluding expenses) which may be paid for any ordinary share shall be an amount equal to the nominal value thereof; and

   (c) the maximum price (excluding expenses) which may be paid for any ordinary share shall be the higher of:

      i. 5% above the average of the closing prices of the Company's ordinary shares taken from the main market of Euronext Dublin and/or the main market of the London Stock Exchange (as the case maybe depending on where the purchase is carried out), in each case for the five business days prior to the day the purchase is made (the "**Market Purchase Appropriate Price**"), or if on any such business day there shall be no dealing of ordinary shares on the trading venue where the purchase is carried out, or a closing price is not otherwise available, the Market Purchase Appropriate Price shall be determined by such other method as the Directors shall determine, in their sole discretion, to be fair and reasonable; and

ii. the amount stipulated by Article 3(2) of Commission Delegated Regulation (EU) 2016/1052 relating to regulatory technical standards for the conditions applicable to buy-back programmes and the stabilisation measures (being the value of an ordinary share calculated on the basis of the higher of the price quote for: (i) the last independent trade; and (ii) the highest current independent purchase bid for any number of ordinary shares on the trading venue(s) where the purchase pursuant to the authority conferred by this Resolution is carried out,

provided that such authority shall expire on the conclusion of the next annual general meeting of the Company after the date of passing this Resolution or at midnight on the date which is 15 calendar months after the date of passing this Resolution (whichever is earlier), unless previously varied, revoked or renewed by special resolution in accordance with the provisions of Section 1074 of the 2014 Act; and the Company may, before such expiry, enter into a contract for the purchase of ordinary shares which would or might be executed wholly or partly after such expiry and may complete any such contract as if the authority conferred hereby had not expired.

By order of the Board
16 August 2019
David J. Dawson, Secretary

Registered Office
25/28 North Wall Quay,
Dublin 1.
(Reg. No. 9245 Republic of Ireland)

Entitlement to attend and vote

1. Only those shareholders registered in the register of members of the Company at 6.00 p.m on Wednesday 2nd October 2019 or if the AGM is adjourned, at 6.00 p.m on the day that falls 48 hours before the time appointed for the adjourned meeting shall be entitled to attend, speak, ask questions and in respect of the number of ordinary shares registered in their name, vote at the meeting, or if relevant, any adjournment thereof. Changes in the register after that time and date will be disregarded in determining the right of any person to attend and/or vote at the meeting or any adjournment thereof.

Appointment of Proxies

2. Any member entitled to attend, speak, vote and ask questions at the AGM may appoint a proxy to attend, speak, vote and ask questions on his/her/its behalf in accordance with the procedures set out in this Notice of AGM and the form of proxy.

3. A proxy need not be a member of the Company but must attend the AGM or any adjournment thereof in person to represent you.

4. A form of proxy is enclosed with this Notice of AGM. To be valid, the proxy must be duly completed and executed, and deposited at, or returned to, the Company's Registrars, Computershare Investor Services (Ireland) Limited, P.O. Box 954, Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18, together with any original authorisation under which it is signed or a copy of such authorisation either certified notarially or by a solicitor practising in the Republic of Ireland, to reach them not less than 48 hours before the time fixed for the holding of the AGM or any adjournment thereof or (in the case of a poll taken otherwise than at or on the same day as appointed for the AGM or any adjournment thereof) at least 48 hours before the taking of the poll at which it is to be used. Any alteration to the form of proxy must be initialled by the person who signs it.

5. Alternatively and provided it is received not less than 48 hours before the time appointed for the holding of the AGM or any adjourned AGM or (in the case of a poll taken otherwise than at or on the same day as the AGM or any adjourned AGM) at least 48 hours before the taking of the poll at which it is to be used, the appointment of a proxy may:

   (i) be submitted by telefax to +353 (1) 447 5572, provided it is received in legible form; or

   (ii) be submitted electronically by accessing the Company Registrar's website, www.eproxyappointment.com. (A member who wishes to appoint more than one proxy by electronic means must contact the Company Registrar by sending an email to clientservices@computershare.ie); or

   (iii) be submitted through CREST in the case of CREST members, CREST sponsored members or CREST members who have appointed voting service providers. Transmission of CREST Proxy instructions must be done and authenticated in accordance with Euroclear specifications as set out in the CREST Manual and received by the Registrar under (ID 3RA50). To appoint one or more proxies or to give an instruction to a proxy (whether previously appointed or otherwise) via the CREST system, CREST messages must be received by the issuer's agent (ID 3RA50) not later than 10.30 a.m. on Wednesday 2 October 2019. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp generated by the CREST system) from which the issuer's agent is able to retrieve the message. The Company may treat as invalid a proxy appointment sent by CREST in the circumstances set out in Regulation 35(5)(a) of the Companies Act 1990 (Uncertificated Securities) Regulations 1996.

6. If the appointer is an individual, this form of proxy must be signed by the member or his/her attorney. If the appointer is a corporation, this form of proxy must be under its common seal or under the hand of an officer or attorney duly authorised in that behalf.

7. In the case of joint holders, the signature of any one holder will be sufficient but the names of all the joint holders should be stated. The vote of the senior holder who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote(s) of the other joint holder(s) and for this purpose seniority will be determined by the order in which the name stands in the register of members in respect of the joint holding.

8. The completion and return of the form of proxy will not preclude a member from attending, speaking, voting or asking questions the AGM or any adjournment thereof should such member subsequently wish to do so.

9. On any other business which may properly come before the AGM or any adjournment thereof and whether procedural and/or substantive in nature (including any motion to amend a resolution or adjourn the meeting) not specified in this Notice of AGM or the form of proxy, the proxy will act at his/her discretion.

Design: Design ICU
Production: Colorman (Ireland) Ltd.

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