

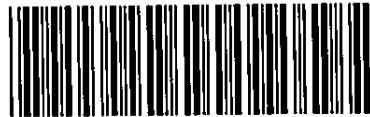
Robertson Construction Group Limited

**Directors' report and consolidated
financial statements**

Registered number SC347921

30 March 2012

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Company information

Directors	WG Robertson DW Shewan A Cowan S Roberts
Secretary	K Jarvie
Registered office	10 Perimeter Road Elgin IV30 6AE
Auditor	KPMG LLP Saltire Court 20 Castle Terrace Edinburgh EH1 2EG
Bankers	The Royal Bank of Scotland plc 5 th Floor, Kirkstane House 139 St Vincent Street Glasgow G2 5JF
Solicitors	The Commercial Law Practice Commercial House 2 Rubislaw Terrace Aberdeen AB10 1XE

Directors' report

The directors present their annual report and the audited financial statements for the year ended 30 March 2012.

Principal activities

The principal activity of the company was that of construction, property development and property investment.

Business review

The group has had a successful year, with turnover growing by 19% to £167m and operating profit increasing from £1m to £4.9m. At the pre-tax level, this year's result of £4.9m represents a significant improvement on last year's profit before tax from continuing activities (excluding a one-off gain on the sale of an investment in a subsidiary company) of £0.7m.

During the year the company made an interim dividend payment of £733,000 (2011: £NIL).

Net assets at the year-end were £16,891,000 (2011: £14,032,000).

Principal risks and uncertainties affecting the business

The principal risks and uncertainties affecting the business are varied and include the following:

- Macro-economic factors affecting the whole of the Construction industry and the wider economy at this time. The effects of the recession have been particularly marked in the Construction sector, with delays to or cancellation of some expected projects as well as greater price competition for the new work that is available.
- Effect of legislation or other regulatory activities. The group continually monitors all forthcoming and current legislation and guidelines to ensure it fully complies with all necessary requirements.
- Market and asset values. The group has re-valued the carrying value of its property portfolio based on current rents and yields and recorded an impairment in value where appropriate.
- Construction risk. The group places considerable emphasis on front end controls and ongoing project diligence in an attempt to minimise construction risk.

Key areas of strategic development

Key areas of strategic development and performance of the company include:

- Health and safety
- Environment
- Investment in and development of our people

Directors' report (continued)

Key performance indicators

Key financial performance indicators include the monitoring of gearing and working capital and achieving continued turnover growth whilst maintaining and seeking to improve margin at both the gross and net level. They are monitored monthly against budgets. Key non-financial performance indicators include the monitoring of health and safety and quality.

Key financial performance indicators

	2012	2011	Measure
Gross margin %	5.6%	5.8%	Gross profit/turnover
Net margin %	2.9%	6.6%	Net profit/turnover

Directors

The directors who held office during the year are as follows:

WG Robertson	
R G Mutch	(resigned 28 July 2011)
D W Shewan	
A Cowan	(appointed 27 July 2011)
J Ballantyne	(resigned 22 April 2011)
S Roberts	(appointed 20 February 2012)

Political and charitable donations

The group made no political contributions during the year. Donations to UK charities amounted to £1,181 (2011: £1, 255).

Employees

During the year the policy of providing employees with general information continued. Relevant information is supplied at the discretion of management, when considered appropriate.

The group gives every consideration to applications for employment from disabled persons where the requirements of the job may be adequately covered by a handicapped or disabled person. With regard to existing employees and those who have become disabled during the year, the group has continued to examine ways and means of providing continuing employment under normal terms and conditions and to provide training and career development and promotion wherever appropriate.

Equal opportunities are given to all employees for training, career development and promotion. The group involves employees in matters affecting terms and conditions of employment. Induction courses are run for new employees.

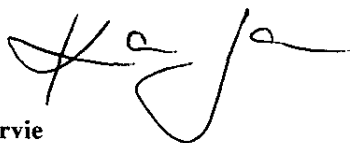
Disclosure of information to auditors

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

Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board



K Jarvie
Secretary

Registered number SC347921

27 September 2012

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and parent company and of the profit or loss for that period. In preparing each of the group and parent company financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent company's transactions and disclose with reasonable accuracy at any time the financial position of the parent company and enable them to ensure that its financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.



KPMG LLP

Saltire Court
20 Castle Terrace
Edinburgh
EH1 2EG
United Kingdom

Independent auditor's report to the members of Robertson Construction Group Limited

We have audited the financial statements of Robertson Construction Group Limited for the year ended 30 March 2012 set out on pages 6 to 24. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the 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.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's web-site at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 30 March 2012 and of the group's profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

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

Hugh Harvie (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants

27 September 2012

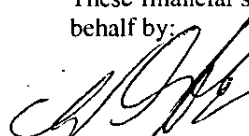
Consolidated profit and loss account
for the year ended 30 March 2012

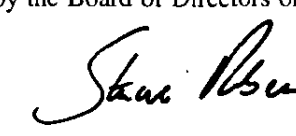
		Year ended 30 March 2012	Year ended 4 April 2011		
	Note	Continuing activities £000	Continuing activities £000	Discontinued activities £000	Total £000
Turnover: group and share of joint ventures		190,703	154,972	783	155,755
Less: share of joint ventures' turnover		(23,360)	(15,403)	(33)	(15,436)
Group turnover	2	167,343	139,569	750	140,319
Cost of sales		(158,041)	(131,516)	(704)	(132,220)
Gross profit		9,302	8,053	46	8,099
Administrative expenses		(4,417)	(6,794)	(330)	(7,124)
Other operating income		-	3	-	3
Group operating profit / (loss)		4,885	1,262	(284)	978
Share of operating profit / (loss) in joint ventures		(2)	(5)	21	16
Total operating profit / (loss)		4,883	1,257	(263)	994
Property impairment		-	(202)	-	(202)
Profit on sale of investment properties		284	9,873	-	9,873
Interest receivable and similar income	6	362	291	-	291
Interest payable and similar charges	7	(661)	(672)	(1,072)	(1,744)
Profit / (loss) on ordinary activities before taxation	3	4,868	10,547	(1,335)	9,212
Tax on profit / (loss) on ordinary activities	8	(1,277)	655	3	658
Profit / (loss) on ordinary activities after taxation	19	3,591	11,202	(1,332)	9,870
Minority interest - equity		-	(4,038)	-	(4,038)
Profit/(loss) for the financial period	18	3,591	7,164	(1,332)	5,832

Consolidated balance sheet
at 30 March 2012

	Note	30 March		4 April	
		2012 £000	2012 £000	2011 £000	2011 £000
Fixed assets					
Tangible assets	9		6,919		7,127
Investment properties	10		2,504		7,118
Investments					
Investments in joint ventures					
Share of gross assets		155		1,110	
Share of gross liabilities		(181)		(1,135)	
Loans to joint ventures		30		30	
	11		4		5
			9,427		14,250
Current assets					
Stock and work in progress	12	551		713	
Debtors	13	47,013		40,385	
Cash at bank and in hand		26,634		28,080	
		74,198		69,178	
Creditors: amounts falling due within one year	14	(56,059)		(69,396)	
Net current assets / (liabilities)			18,139		(218)
			27,566		14,032
Creditors: amounts falling due after more than one year	15		(10,675)		-
Net assets			16,891		14,032
Capital and reserves					
Called up share capital	17		1		1
Merger reserve	18		9,679		9,679
Revaluation reserve	18		515		1,338
Profit and loss account	18		6,696		3,014
Shareholders' funds	19		16,891		14,032

These financial statements were approved by the Board of Directors on 27 September 2012 and were signed on its behalf by:

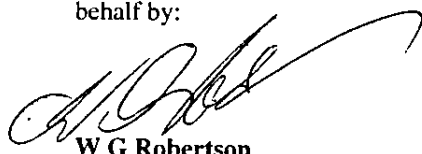

W G Robertson
Director


S Roberts
Director

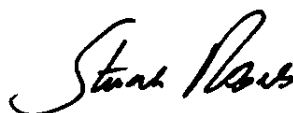
Company balance sheet
at 30 March 2012

	<i>Note</i>	30 March		4 April	
		2012 £000	2012 £000	2011 £000	2011 £000
Fixed assets					
Tangible assets	9		7		5
Investments	11		30		30
			37		35
Current assets					
Debtors	13	5,344		808	
Cash at bank and in hand		5,034		8,378	
		10,378		9,186	
Creditors: amounts falling due within one year	14	(6,289)		(7,462)	
Net current assets			4,089		1,724
Net assets			4,126		1,759
Capital and reserves					
Called up share capital	17		1		1
Profit and loss account	18		4,125		1,758
Shareholders' funds	19		4,126		1,759

These financial statements were approved by the Board of Directors on 27 September 2012 and were signed on its behalf by:



W G Robertson
Director



S, Roberts
Director

Consolidated cash flow statement
for the year ended 30 March 2012

	<i>Note</i>	Year ended 30 March 2012 £000	Year ended 4 April 2011 £000
Cash (outflow) / inflow from operating activities	23	(848)	14,281
Returns on investments and servicing of finance	24	(299)	(1,422)
Taxation		700	(888)
Capital expenditure and financial investment	24	4,839	(34)
Dividends paid on shares classified in shareholders' funds		(733)	-
Cash inflow before financing		3,659	11,937
Financing	24	-	(2,385)
Increase in cash in the period		3,659	9,552

Reconciliation of net cash flow to movement in net funds / (debt)

		Year ended 30 March 2012 £000	Year ended 4 April 2011 £000
Increase in cash in the period		3,659	9,552
Cash inflow from increase in debt		-	2,385
Change in net debt resulting from cash flows		3,659	11,937
Net debt eliminated on disposal		-	24,728
Movement in net debt in the period		3,659	36,665
Net funds / (debt) at the start of the period		12,300	(24,365)
Net funds at the end of the period	25	15,959	12,300

Consolidated statement of total recognised gains and losses
for the year ended 30 March 2012

	Year ended 30 March 2011 £000	Year ended 26 March 2010 £000
Profit for the financial period		
Group	2,860	5,844
Share of joint ventures	(2)	(12)
	2,858	5,832
Unrealised (deficit) / surplus on revaluation of properties	-	(906)
Total recognised gains and losses relating to the financial period	2,858	4,926

Note of consolidated historical cost profits and losses
for the year ended 30 March 2012

There is no difference between the reported profit on ordinary activities and the historical cost profit on ordinary activities in either financial year.

Notes

(forming part of the financial statements)

1 Accounting policies

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

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules, modified to include the revaluation of investment properties.

Going concern

The financial statements have been prepared on the going concern basis which the directors believe to be appropriate for the following reasons. Robertson Construction Group Limited and its subsidiaries ("RCGL") operate as the largely autonomous construction division of Robertson Group (Holdings) Limited. RCGL delivered strong financial performance for the year despite challenging market conditions. The directors have prepared trading and cash flow forecasts for RCGL for the year through to 30 September 2013. Although the current difficult economic conditions continue to create uncertainty over the timing and amount of the ultimate realisation of cash flows, these cash flow forecasts, which take account of sensitivities in relation to the key assumptions applicable to the business, including assumptions in relation to workload and margin, continue to demonstrate that RCGL is expected to remain profitable and cash generative for the foreseeable future.

The financing arrangements applicable to RCGL also form part of the wider financing arrangements of Robertson Group (Holdings) Limited. As explained in note 20, RCGL is a guarantor to Robertson Group (Holdings) Limited consolidated bank arrangements.

Basis of consolidation

The consolidated financial statements include the financial statements of the company and its subsidiary undertakings made up to 30 March 2012 using merger accounting.

A joint venture is an undertaking in which the group has a long term interest and over which it exercises joint control. The group's share of the profits less losses of joint ventures is included in the profit and loss account and its interests in their net assets are included in investments in the consolidated balance sheet.

Under section 408 of the Companies Act 2006 the company is exempt from the requirement to present its own profit and loss account.

Tangible fixed assets and depreciation

Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Freehold buildings	- 50 years
Plant and machinery	- 3 to 10 years
Fixtures, fittings and equipment	- 4 to 5 years
Motor vehicles	- 5 to 10 years

No depreciation is provided on freehold land

Investment properties

In accordance with Statement of Standard Accounting Practice No 19 investment properties are revalued annually at open market value. All surpluses and deficits arising on valuation are taken directly to revaluation reserve except that any permanent diminution in the value of the investment property is taken to the profit and loss account for the year. No depreciation or amortisation is provided in respect of the freehold investment properties.

Notes (continued)

1 Accounting policies (continued)

This treatment may be a departure from the requirements of the Companies Act concerning depreciation of fixed assets. However, the properties are not held for consumption but for investment and the directors consider that systematic annual depreciation would be inappropriate. The accounting policy adopted is therefore necessary for the accounts to give a true and fair view. Depreciation or amortisation is only one of the many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

Stocks and work in progress

Stocks are stated at the lower of cost and net realisable value. In determining the cost of raw materials and consumables the first in first out method is used. For work in progress and finished goods cost is taken as production cost which comprises materials, direct labour and attributable production overheads according to the stage of completion.

Property developments in the course of construction are carried at cost as part of work in progress until such time as the property is complete. Interest incurred on project specific borrowings is capitalised within the cost of the appropriate project.

Development land stock is stated at the lower of cost and net realisable value. Cost comprises the purchase price of the land together with all attributable expenditure incurred in making ready the site for development and ultimate resale.

Long term contracts

The amount of profit attributable to the stage of completion of a long term contract is recognised when the outcome of the contract can be foreseen with reasonable certainty. Turnover for such contracts is stated at cost appropriate to their stage of completion plus attributable profits, less amounts recognised in previous years. Provision is made for any losses as soon as they are foreseen.

Contract work in progress is stated at costs incurred, less those transferred to the profit and loss account, after deducting foreseeable losses and payments on account not matched with turnover.

Amounts recoverable on contracts are included in debtors and represent turnover recognised in excess of payments on account.

Leases

Assets acquired under finance leases and similar hire purchase contracts are capitalised and the outstanding future lease obligations are shown in creditors. Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

Pensions

The group contributes to a group personal pension plan for employees who also undertake to contribute, the costs of which are charged to the profit and loss account as they become payable. The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

Development expenditure

Pre-contract costs are expensed as incurred until the company is appointed as sole preferred bidder. Provided the contract is expected to generate sufficient net cash inflows to enable recovery and the award of the contract is virtually certain, pre-contract costs incurred post the appointment as preferred bidder are included in debtors.

Where pre-contract bid costs that have been recognised as an asset are reimbursed at financial close both the income and the asset are released to the profit and loss account.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

Notes (continued)

2 Turnover and segmental reporting

An analysis of turnover, gross profit and profit before tax by class of business is shown below.

	Turnover		Gross profit		Profit / (loss) before tax	
	Year ended 30 March 2012 £000	Year ended 4 April 2011 £000	Year ended 30 March 2012 £000	Year ended 4 April 2011 £000	Year ended 30 March 2012 £000	Year ended 4 April 2011 £000
Construction	170,158	138,589	8,920	7,906	5,526	2,172
Property development	2,517	2,351	665	814	(658)	7,661
Less intercompany trade	(5,332)	(621)	(283)	(621)	-	(621)
Total	167,343	140,319	9,302	8,099	4,868	9,212

The shareholders' funds by class of business are:

	30 March 2012 £000	4 April 2011 £000
Construction	13,008	10,175
Property development	3,883	3,857
	16,891	14,032

3 Profit / (loss) on ordinary activities before taxation

	30 March 2012 £000	4 April 2011 £000
<i>Profit / (loss) on ordinary activities before taxation is stated after charging:</i>		
Depreciation of tangible assets	267	333
Operating lease rentals		
- land and buildings	67	63
- other assets	276	181
Exceptional charges – rationalisation costs	-	99
Auditor's remuneration		
Audit of these financial statements	5	5
Amounts receivable by auditors and their associates in respect of:		
- Audit of financial statements of subsidiaries pursuant to legislation	45	45
- Accounting services	-	-
- Other services relating to taxation	16	16

Amounts paid to the Company's auditors in respect of services to the Company, other than the audit of the Company's financial statements, have not been disclosed as the information is required instead to be disclosed on a consolidated basis.

Notes (continued)

4 Remuneration of directors

	30 March 2012 £000	4 April 2011 £000
Directors' emoluments	163	529
Company contributions to money purchase schemes	15	39
	<u>178</u>	<u>568</u>

Retirement benefits are accruing to 1 director under money purchase pension scheme. The total emoluments of the highest paid director were £163,000 (2011: £207,000) and company pension contributions of £15,000 (2011: £12,000) were made to a money purchase pension schemes on his behalf.

5 Staff numbers and costs

The average number of persons employed (including directors) during the period, analysed by category was as follows:

	30 March 2012 Number	4 April 2011 Number
Construction	297	305
Property	5	6
Administration	49	54
	<u>351</u>	<u>365</u>

The aggregate payroll costs of these persons were as follows:

	£000	£000
Wages and salaries	13,458	14,235
Social security costs	1,469	1,509
Other pension costs	414	496
	<u>15,341</u>	<u>16,240</u>

6 Other interest receivable and similar income

	30 March 2012 £000	4 April 2011 £000
Interest from related parties	362	291

Notes (continued)

7 Interest payable and similar charges

	30 March 2011 £000	4 April 2011 £000
On bank loans and overdrafts	632	1,280
On balances owed to related parties	29	433
	661	1,713
Joint ventures – bank loans and overdraft interest	-	31
	661	1,744

8 Tax on profit/(loss) on ordinary activities

	30 March 2012 £000	4 April 2011 £000
Analysis of charge in the period		
<i>UK corporation tax</i>		
Current tax on income for the period	1,182	(78)
Share of joint ventures' current tax	-	(3)
Adjustment in respect of prior years	93	(574)
Total current tax	1,275	(655)
<i>Deferred tax (see note 16)</i>		
Origination/reversal of timing differences	2	47
Adjustment in respect of prior years	-	(50)
Total tax on profit/(loss) on ordinary activities	1,277	(658)

Factors affecting the tax (credit)/charge for the current period

The current tax charge for the period is higher (2011: lower) than the standard rate of corporation tax in the UK of 26% (2011: 28%). The differences are explained below.

	30 March 2012 £000	4 April 2011 £000
<i>Current tax reconciliation</i>		
Profit / (loss) on ordinary activities before tax	4,868	9,212
Current tax at 26% (2011: 28%)	1,265	2,579
<i>Effects of:</i>		
Non-deductible expenses	-	33
Non-taxable income	-	(2,678)
Tax effect of joint ventures	-	(85)
Write down of investment property	-	74
Capital allowances for period in excess of depreciation	-	9
Other timing differences	(2)	33
Subsidiary company losses carried forward	(81)	(46)
Adjustment in respect of prior years	93	(574)
Total current tax charge/(credit) (see above)	1,275	(655)

Notes (continued)

8 Tax on profit/(loss) on ordinary activities (continued)

Factors affecting future tax charges

The 2012 Budget on 21 March 2012 announced that the UK corporation tax rate will reduce to 22% by 2014. A reduction in the rate from 26% to 25% (effective from 1 April 2012) was substantively enacted on 5 July 2011, and further reductions to 24% (effective from 1 April 2012) and 23% (effective from 1 April 2013) were substantively enacted on 26 March 2012 and 3 July 2012 respectively. This will reduce the Group's future tax charge accordingly and further reduce the deferred tax asset at 30 March 2012.

It has not yet been possible to quantify the full anticipated effect of the announced further 1% rate reduction, although this will further reduce the Group's future tax charge and reduce the Group's deferred tax asset accordingly.

No provision has been made for deferred tax on the revaluation of investment properties to their open market value. The tax on the gains arising on the revaluations would only become payable if the properties were sold without rollover relief being available. The tax which would be payable in such circumstances is estimated to be £[375,000] (2011: £375,000).

9 Tangible fixed assets

Group	Freehold land and buildings £000	Plant and machinery £000	Fixtures, fittings and equipment £000	Motor vehicles £000	Total £000
Cost					
At beginning of period	7,857	879	402	441	9,579
Additions	-	59	-	-	59
Disposals	-	-	-	(4)	(4)
At end of period	7,857	938	402	437	9,634
Depreciation					
At beginning of period	971	786	355	340	2,452
Charge for the period	157	26	38	46	267
Disposals	-	-	-	(4)	(4)
At end of period	1,128	812	393	382	2,715
Net book value					
At 30 March 2012	6,729	126	9	55	6,919
At 4 April 2011	6,886	93	47	101	7,127

Notes (continued)

9 Tangible fixed assets (continued)

Company	Plant and machinery £000
Cost	
At beginning of period	6
Additions	4
Disposals	-
At end of period	10
Depreciation	
At beginning of period	1
Additions	2
Disposals	-
At end of period	3
Net book value	
At 30 March 2012	7
At 4 April 2011	5

10 Investment properties

	Group £000
At beginning of period	7,118
Additions	255
Disposals	(4,869)
At end of period	2,504
Historical cost of investment properties	2,957

In the opinion of the directors, the above valuations represent a true reflection of the value of the properties.

11 Fixed asset investments

Group	Shares in joint ventures £000	Loans to joint ventures £000	Share of reserves £000	Total £000
At beginning of period	1	30	(24)	7
Additions in the period	-	-	(2)	(2)
At end of period	1	30	(26)	5

Notes (continued)

11 Fixed asset investments (continued)

Joint ventures

The total of the group's profit / (loss) before taxation from interests in joint ventures was £2,000 (2011: £295,000 profit).

Company	Loans to joint ventures £000
At beginning and end of period	30

The principal undertakings in which the group holds more than 20% of the share capital are as follows:

	Country of registration or incorporation	Shares held		Principal activity
		Class	%	
Subsidiary undertakings				
Robertson Construction Central Limited	Scotland	Ordinary	100	Construction
Robertson Construction Eastern Limited	Scotland	Ordinary	100	Construction
Robertson Construction NEE Limited	Scotland	Ordinary	100	Construction
Robertson Construction Northern Limited	Scotland	Ordinary	100	Construction
Robertson Construction Tayside Limited	Scotland	Ordinary	100	Construction
Robertson Construction Highland Limited	Scotland	Ordinary	100	Construction
Robertson Construction Lothians Limited	Scotland	Ordinary	100	Construction
Robertson Property Limited	Scotland	A and B Ordinary	100	Property development
Robertson Property (No 4) Limited	Scotland	Ordinary	100	Property development
Joint ventures				
Robertson-Dawn Health Limited	Scotland	Ordinary	50	Construction

Other than Robertson-Dawn Health Limited, which has a 30 November year end, all of the above subsidiary and joint venture companies' year-ends are coterminous with the company.

12 Stocks

Group	30 March 2011 £000	4 April 2010 £000
Development land	551	713
	<u>551</u>	<u>713</u>

Notes (continued)

13 Debtors

	Company		Group	
	30 March 2012 £000	4 April 2011 £000	30 March 2012 £000	4 April 2011 £000
Trade debtors	-	15	16,726	15,003
Amounts recoverable on contracts	-	-	8,183	5,207
Amounts owed by group undertakings	2,212	105	16,085	15,183
Amounts owed by related parties	1,440	527	2,267	3,020
Other debtors	-	6	1,487	934
Prepayments and accrued income	1,457	150	1,653	277
Corporation Tax receivable	-	-	-	94
Group relief receivable	-	5	-	491
Deferred tax (note 16)	-	-	60	62
Other tax and social security	235	-	552	114
	<u>5,344</u>	<u>808</u>	<u>47,013</u>	<u>40,385</u>

Debtors include the following falling due after more than one year:

Amounts recoverable on contracts	-	-	2,015	456
Amounts owed by joint ventures	1,440	-	1,440	-
	<u>1,440</u>	<u>-</u>	<u>1,440</u>	<u>-</u>

14 Creditors: amounts falling due within one year

	Company		Group	
	30 March 2012 £000	4 April 2011 £000	30 March 2012 £000	4 April 2011 £000
Bank loans and overdrafts (note 15)	-	-	-	15,780
Payments received on account	781	1,462	5,000	6,437
Trade creditors	2,336	3,249	17,432	15,881
Amounts owed to group undertakings	272	-	7,103	6,010
Corporation tax	-	7	-	-
Group relief payable	1,565	-	1,390	-
Other taxes and social security	1	451	1,908	2,112
Other creditors	-	-	232	206
Accruals and deferred income	1,334	2,293	22,994	22,970
	<u>6,289</u>	<u>7,462</u>	<u>56,059</u>	<u>69,396</u>

Notes (continued)

15 Creditors: amounts falling due after more than one year

	Group	
	30 March	04 April
	2012	2011
	£000	£000
Bank loans and overdrafts	10,675	-
	10,675	-
	10,675	-
	10,675	15,780
	10,675	15,780

Debt can be analysed as falling due:

In one year or less, or on demand

Between one and two years

Between two and five years

In five years or more

All borrowings are secured by way of a floating charge over the group's property, undertaking, assets and rights owned now or in the future and an unlimited inter-company composite guarantee between companies within the group and companies within the group headed by Robertson Group (Holdings) Limited, a company under common shareholder control.

Subsequent to the period end, the Group's bank facilities were extended to 31 December 2013.

16 Deferred taxation

	Accelerated capital allowances	Other timing differences	Total
	£000	£000	£000
At beginning of year – asset	28	34	62
Charge to the profit and loss account for the year	-	(2)	(2)
At end of year – asset (note 13)	28	32	60

17 Called up share capital

	30 March	04 April
	2012	2011
	£	£
Authorised		
10,000 Ordinary shares of £1 each	10,000	10,000
Allotted, called up and fully paid		
1,024 Ordinary shares of £1 each	1,024	1,024

Notes (continued)

18 Reserves

Group	Merger reserve £000	Revaluation reserve £000	Profit and loss Account £000	Total £000
At beginning of year as stated using merger accounting	9,679	1,338	3,015	14,032
Profit for the financial period	-	-	3,591	3,591
Dividend paid	-	-	(733)	(733)
Disposal in the period	-	(823)	823	-
At end of period	9,679	515	6,696	16,890

Company	Profit and loss account £000
At beginning of period	1,758
Profit for the financial period	3,100
Dividend paid	(733)
At end of period	4,125

19 Reconciliation of movements in shareholders' funds

	Year ended 30 March 2012 £000	Year ended 4 April 2011 £000
Group		
Profit / (loss) for the financial period	3,591	5,832
Other recognised gains and losses for the period	(732)	(906)
Net increase / (reduction) in shareholders' funds	2,859	4,926
Opening shareholders' funds	14,032	9,106
Closing shareholders' funds	16,891	14,032
Company		
Profit / (loss) for the financial period	3,100	1,157
Dividend paid	(733)	-
Net increase / (reduction) in shareholders' funds	2,367	1,157
Opening shareholders' funds	1,759	602
Closing shareholders' funds	4,126	1,759

Notes (continued)

20 Contingent liabilities, contractual disputes and guarantees

At the period end there were contingent liabilities in respect of guarantees and claims under contracts entered into in the normal course of business. Further, included within trade debtors and amounts recoverable on long term contracts are certain amounts which are the subject of ongoing disputes with customers. The directors are of the opinion that adequate provision has been made in respect of ongoing claims and disputes at the period end.

The group has given a cross guarantee to its bankers in respect of the borrowings of Robertson Group Limited and its subsidiaries, companies owned by the same shareholders as Robertson Construction Group Limited. The total contingent liability in respect of these borrowings at 31 March 2012 was £50,144,000 (2011: £56,184,000).

21 Commitments

Annual commitments under non-cancellable operating leases are as follows:

Group	Land and buildings		Other	
	30 March 2012 £000	4 April 2011 £000	30 March 2012 £000	4 April 2011 £000
Operating leases which expire:				
Within one year	-	-	42	47
Between two and five years	67	67	182	129
	<u>67</u>	<u>67</u>	<u>224</u>	<u>176</u>

22 Pension costs

The group contributes to a group personal pension plans for certain employees. The pension cost charged for the period represents contributions payable by the group to those personal pension plans.

	Year ended 30 March 2012 £000	Year ended 4 April 2011 £000
Contributions payable by the group for the period	<u>414</u>	<u>496</u>

23 Reconciliation of operating profit / (loss) to net cash flow from operating activities

	Year ended 30 March 2012 £000	Year ended 4 April 2011 £000
Operating profit	4,885	978
Depreciation of tangible assets	267	333
Decrease / (increase) in stocks	162	(162)
(Increase) in debtors	(7,215)	(12,134)
Increase in creditors	1,053	25,266
Net cash (outflow) / inflow from operating activities	<u>(848)</u>	<u>14,281</u>

Notes (continued)

24 Analysis of cash flows

	Year ended 30 March 2012 £000	Year ended 4 April 2011 £000
Returns on investments and servicing of finance		
Interest received	362	291
Interest paid	(661)	(1,713)
	<u>(299)</u>	<u>(1,422)</u>
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(279)	(36)
Sale of tangible fixed assets	5,118	2
	<u>4,839</u>	<u>(34)</u>
Financing		
New bank loans	-	(2,385)
	<u>-</u>	<u>(2,385)</u>

25 Analysis of net debt

	At beginning of period £000	Cash flows £000	At end of period £000
Cash at bank and in hand	28,080	(1,446)	26,634
Debt due within one year	(15,780)	15,780	-
Debt due after one year	-	(10,675)	(10,675)
	<u>12,300</u>	<u>3,659</u>	<u>15,959</u>

Notes *(continued)*

26 Related party transactions

During the year the group made sales of £1,230,000 to companies under the ownership of Robertson Group (Holdings) Limited. At the period end, £41,000 was due from and £564,000 was due to these companies.

In addition, during the period the group made sales of £40,929,000 to Robertson-Dawn Health Limited, a company owned 50% by the group. At the year end, £1,454,000 was due from this company.

27 Parent and ultimate controlling party

The company is a subsidiary undertaking of Robertson Group Limited. The ultimate parent company is Robertson Group (Holdings) Limited and the ultimate controlling party is WG Robertson, who owns 75% of the issued share capital of