

COMPANIES HOUSE

27 DEC 2013

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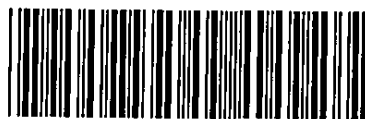
Robertson Construction Group Limited

**Directors' report and consolidated financial
statements**

Registered number SC347921

31 March 2013

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COMPANIES HOUSE

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Company information

Directors	WG Robertson DW Shewan 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 31 March 2013.

Principal activities

The principal activity of the group during the year was that of construction, property development and property investment.

Business review

The group had another successful year, producing a satisfactory return of £2.5m for our shareholder at the same time as positioning the business to achieve better returns in the future.

We supplemented our existing 4 regional construction businesses with two new product offerings in the year – a Mechanical and Electrical business, operating from our North East England office and a Civil Engineering business, based in the Central Belt of Scotland. These businesses made a positive contribution to the year's result, which will improve as they mature.

In addition, we have broadened our operating area, opening new offices in North West England and the Western Highlands to support a number of major contracts secured there.

During the year the company made an interim dividend payment of £770,000 (2012: £733,000).

Net assets at the year-end were £18,573,000 (2012: £16,891,000).

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.
- 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.
- 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

Key performance indicators

Key financial performance indicators include the monitoring of working capital and profit margins, which are closely scrutinised each month against budget.

Key non-financial performance indicators include the monitoring of health and safety and quality.

Key financial performance indicators

		2013	2012	Measure
Gross margin	%	5.6%	5.6%	Gross profit/turnover
Overhead recovery	%	3.4%	2.6%	Admin exp/turnover
Cash inflow / (outflow)	£'000	1,992	(1,446)	Cash increase/(decrease)

Directors' report (*continued*)

Directors

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

WG Robertson
DW Shewan
A Cowan (resigned 5 December 2012)
S Roberts

Political and charitable donations

The group made no political contributions during the year. Donations to UK charities amounted to nil (2012: £1,181).

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 a handicapped or disabled person may adequately cover the requirements of the job. 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.

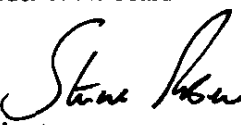
Disclosure of information to auditor

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 auditor is 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 auditor is aware of that information.

Auditor

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


S Roberts
Director

3 October 2013

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 31 March 2013 set out on pages 6 to 21. 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 Financial Reporting Council's web-site at www.frc.org.uk/auditscopeukprivate

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 31 March 2013 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

3 October 2013

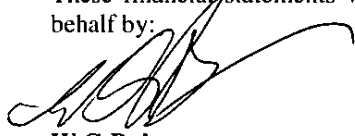
Consolidated profit and loss account
for the year ended 31 March 2013

	<i>Note</i>	2013 £000	2012 £000
Turnover: group and share of joint ventures		167,809	190,703
Less: share of joint ventures' turnover		(10,997)	(23,360)
Group turnover	2	156,812	167,343
Cost of sales		(148,069)	(158,041)
Gross profit		8,743	9,302
Administrative expenses		(5,382)	(4,417)
Group operating profit		3,361	4,885
Share of operating loss in joint ventures		(4)	(2)
Total operating profit		3,357	4,883
Profit on sale of investment properties		-	284
Interest receivable and similar income	6	335	362
Interest payable and similar charges	7	(433)	(661)
Profit on ordinary activities before taxation	3	3,259	4,868
Tax on profit on ordinary activities	8	(782)	(1,277)
Profit on ordinary activities after taxation		2,477	3,591

Consolidated balance sheet
at 31 March 2013

	<i>Note</i>	2013 £000	2013 £000	2012 £000	2012 £000
Fixed assets					
Tangible assets	9		6,792		6,919
Investment properties	10		2,527		2,504
Investments					
Investments in joint ventures					
Share of gross assets		18		155	
Share of gross liabilities		(48)		(181)	
Loans to joint ventures		30		30	
Total Investments	11		-		4
			9,319		9,427
Current assets					
Stock and work in progress	12	2,160		551	
Debtors	13	47,738		47,013	
Cash at bank and in hand		28,626		26,634	
		78,524		74,198	
Creditors: amounts falling due within one year	14	(61,995)		(56,059)	
Net current assets			16,529		18,139
			25,848		27,566
Creditors: amounts falling due after more than one year	15		(7,250)		(10,675)
Net assets			18,598		16,891
Capital and reserves					
Called up share capital	17		1		1
Merger reserve	18		9,679		9,679
Revaluation reserve	18		515		515
Profit and loss account	18		8,403		6,696
Shareholder's funds	19		18,598		16,891

These financial statements were approved by the Board of Directors on 3 October 2013 and were signed on its behalf by:

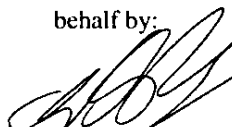

W G Robertson
Director


S Roberts
Director

Company balance sheet
 at 31 March 2013

	<i>Note</i>	2013 £000	2013 £000	2012 £000	2012 £000
Fixed assets					
Tangible assets	9		8		7
Investments	11		30		30
			38		37
Current assets					
Debtors	13	4,883		5,344	
Cash at bank and in hand		6,199		5,034	
		11,082		10,378	
Creditors: amounts falling due within one year	14	(6,196)		(6,289)	
Net current assets			4,886		4,089
Net assets			4,924		4,126
Capital and reserves					
Called up share capital	17	1		1	
Profit and loss account	18	4,923		4,125	
Shareholder's funds	19	4,924		4,126	

These financial statements were approved by the Board of Directors on 3 October 2013 and were signed on its behalf by:


 W G Robertson
 Director


 S Roberts
 Director

Consolidated statement of total recognised gains and losses
for the year ended 31 March 2013

	2013 £000	2012 £000
Profit for the financial year		
Group	3,481	3,593
Share of joint ventures	(4)	(2)
Total recognised gains and losses relating to the financial year	3,477	3,591

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 a going concern basis which the directors believe to be appropriate for the following reasons. The company's financing arrangements form part of the financing arrangements of its ultimate parent Robertson Group (Holdings) Limited and its subsidiaries. Following the year end that company disposed of its interests in a number of subsidiaries, joint ventures and associates and as a result has considerably increased the financial resources available to it. The directors of the company and group have prepared detailed cash flow forecasts and are satisfied that the group will be able to operate within its available financial resources for the foreseeable future.

Basis of consolidation

The consolidated financial statements include the financial statements of the company and its subsidiary undertakings made up to 31 March 2013.

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.

As the company is a wholly owned subsidiary of Robertson Group (Holdings) Limited, the company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group. The consolidated financial statements of Robertson Group (Holdings) Limited, within which this company is included, can be obtained from the address given in note 25.

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.

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.

Notes (continued)

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 term 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	
	2013 £'000	2012 £'000	2013 £'000	2012 £'000	2013 £'000	2012 £'000
Construction	158,534	170,158	8,668	8,920	4,077	5,526
Property development	1,130	2,517	363	665	(818)	(658)
Less intercompany trade	(2,852)	(5,332)	(288)	(283)	-	-
Total	156,812	167,343	8,743	9,302	3,259	4,868

The shareholder's funds by class of business are:

	2013 £000	2012 £000
Construction	15,306	13,008
Property development	3,267	3,883
	18,573	16,891

3 Profit on ordinary activities before taxation

	2013 £000	2012 £000
<i>Profit on ordinary activities before taxation is stated after charging:</i>		
Depreciation of tangible assets	252	267
Operating lease rentals		
- land and buildings	30	67
- other assets	284	276
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
- Other services relating to taxation	16	16

Notes (continued)

4 Remuneration of directors

	2013 £000	2012 £000
Directors' emoluments	170	163
Company contributions to money purchase schemes	16	15
	<u>186</u>	<u>178</u>

Retirement benefits are accruing to 1 director under money purchase pension scheme.

5 Staff numbers and costs

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

	2013 Number	2012 Number
Construction	325	297
Property	5	5
Administration	45	49
	<u>375</u>	<u>351</u>

The aggregate payroll costs of these persons were as follows:

	£000	£000
Wages and salaries	16,013	13,458
Social security costs	1,813	1,469
Other pension costs	499	414
	<u>18,325</u>	<u>15,341</u>

6 Other interest receivable and similar income

	2013 £000	2012 £000
Interest from related parties	335	362

7 Interest payable and similar charges

	2013 £000	2012 £000
On bank loans and overdrafts	427	632
On balances owed to related parties	6	29
	<u>433</u>	<u>661</u>

Notes (continued)

8 Tax on profit on ordinary activities

	2013 £000	2012 £000
Analysis of charge in the year		
<i>UK corporation tax</i>		
Group relief payable	782	1,182
Adjustment in respect of prior years	-	93
Total current tax	782	1,275
<i>Deferred tax (see note 16)</i>		
Origination/reversal of timing differences	-	2
Total tax on profit on ordinary activities	782	1,277

Factors affecting the tax charge for the current year

The current tax charge for the year is equal to (2012: higher than) the standard rate of corporation tax in the UK of 24% (2012: 26%). The differences are explained below.

	2013 £000	2012 £000
<i>Current tax reconciliation</i>		
Profit on ordinary activities before tax	3,259	4,868
Current tax at 24% (2012: 26%)	782	1,265
<i>Effects of:</i>		
Timing differences	-	(2)
Subsidiary company losses carried forward	-	(81)
Adjustment in respect of prior years	-	93
Total current tax charge (see above)	782	1,275

Factors affecting future tax charges

Reductions in the UK corporation tax rate from 26% to 24% (effective from 1 April 2012) and to 23% (effective 1 April 2013) were substantively enacted on 26 March 2012 and 3 July 2012 respectively. Further reductions to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. This will reduce the company's future current tax charge accordingly and reduce the deferred tax liability at 31 March 2013 (which has been calculated based on the rate of 23% substantively enacted at the balance sheet date) 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 from 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 £123,000 (2012 : £134,000).

Notes (continued)

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 year	7,857	938	402	437	9,634
Additions	53	86	4	3	146
Disposals	-	(21)	-	(11)	(32)
At end of year	7,910	1,003	406	429	9,748
Depreciation					
At beginning of year	1,128	812	393	382	2,715
Charge for the year	157	50	10	35	252
Disposals	-	(3)	-	(8)	(11)
At end of year	1,285	859	403	409	2,956
Net book value					
At 31 March 2013	6,625	144	3	20	6,792
At 31 March 2012	6,729	126	9	55	6,919

Company	Plant and machinery £000
Cost	
At beginning of year	10
Additions	5
At end of year	15
Depreciation	
At beginning of year	3
Additions	4
At end of year	7
Net book value	
At 31 March 2013	8
At 31 March 2012	7

Notes (continued)

10 Investment properties

	Group £000
Valuation	
At beginning of year	2,504
Additions	23
At end of year	2,527
 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.

If restated under historic cost principles, the comparable amounts in respect of the revalued properties would be £2,957,000 (2012 : £2,957,000).

11 Fixed asset investments

Group	Shares in joint ventures £000	Loans to joint ventures £000	Share of reserves £000	Total £000
At beginning of year	-	30	(26)	4
Additions in the year	-	-	(4)	(4)
At end of year	-	30	(30)	-

Joint ventures

The total of the group's loss before taxation from interests in joint ventures was £4,000 (2012: £2,000 loss).

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

Notes (continued)

11 Fixed asset investments (continued)

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	2013 £000	2012 £000
Development land and work in progress	2,160	551

13 Debtors

	Company		Group	
	2013 £000	2012 £000	2013 £000	2012 £000
Trade debtors	1,054	-	19,630	16,726
Amounts recoverable on contracts	357	-	8,020	8,183
Amounts owed by group undertakings	2,227	2,212	14,662	16,085
Amounts owed by related parties	910	1,440	2,998	2,267
Other debtors	316	-	2,036	1,487
Prepayments and accrued income	19	1,457	171	1,653
Deferred tax (note 16)	-	-	60	60
Other tax and social security	-	235	161	552
	<u>4,883</u>	<u>5,344</u>	<u>47,738</u>	<u>47,013</u>

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

Amounts recoverable on contracts	73	-	1,945	2,015
Amounts owed by joint ventures	910	1,440	910	1,440

Notes (continued)

14 Creditors: amounts falling due within one year

	Company		Group	
	2013	2012	2013	2012
	£000	£000	£000	£000
Bank loans and overdrafts (<i>note 15</i>)	-	-	2,878	-
Payments received on account	2,040	781	4,456	5,000
Trade creditors	1,430	2,336	17,135	17,432
Amounts owed to group undertakings	314	272	9,958	7,103
Amounts owed to related parties	-	-	9	-
Corporation tax	-	-	4	4
Group relief payable to related parties	131	1,565	789	1,390
Other taxes and social security	463	1	2,554	1,908
Other creditors	-	-	191	232
Accruals and deferred income	1,818	1,334	24,021	22,994
	<u>6,196</u>	<u>6,289</u>	<u>61,995</u>	<u>56,063</u>

15 Creditors: amounts falling due after more than one year

	Group	
	2013	2012
	£000	£000
Bank loans and overdrafts	-	10,675
Amounts owed to group undertakings	7,250	-
	<u>7,250</u>	<u>10,675</u>

	Group	
	2013	2012
	£000	£000
Debt can be analysed as falling due:		
In one year or less, or on demand	2,878	-
Between one and two years	-	10,675
	<u>2,878</u>	<u>10,675</u>

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 headed by Robertson Group (Holdings) Limited.

Notes (continued)

16 Deferred taxation

Group	Accelerated capital allowances £000	Other timing differences £000	Total £000
At beginning and end of year	28	32	60

17 Called up share capital

	2013 £	2012 £
<i>Authorised</i> 10,000 Ordinary shares of £1 each	10,000	10,000
<i>Allotted, called up and fully paid</i> 1,024 Ordinary shares of £1 each	1,024	1,024

18 Reserves

Group	Merger reserve £000	Revaluation reserve £000	Profit and loss Account £000	Total £000
At beginning of year	9,679	515	6,696	16,890
Profit for the financial year	-	-	2,477	2,477
Dividend paid	-	-	(770)	(770)
At end of year	9,679	515	8,403	18,597

Company	Profit and loss account £000
At beginning of year	4,125
Profit for the financial year	1,568
Dividend paid	(770)
At end of year	4,923

Notes (continued)

19 Reconciliation of movements in shareholder's funds

Group	2013 £000	2012 £000
Profit for the financial year	2,477	3,591
Dividends paid	(770)	(732)
Net increase in shareholder's funds	1,707	2,859
Opening shareholder's funds	16,891	14,032
Closing shareholder's funds	18,598	16,891
 Company		
Profit for the financial year	1,568	3,100
Interim dividend paid	(770)	(733)
Net increase in shareholder's funds	798	2,367
Opening shareholder's funds	4,126	1,759
Closing shareholder's funds	4,924	4,126

20 Contingent liabilities, contractual disputes and guarantees

At the year 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 year end.

The company has entered into cross guarantees with the bank that provides borrowings to Robertson Group (Holdings) Limited. At 31 March 2013, the total borrowings were £60,984,000 (2012: £50,144,000). The bank holds floating charges in respect of certain other assets of the company.

21 Commitments

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

Group	Land and buildings		Other	
	2013 £000	2012 £000	2013 £000	2012 £000
Operating leases which expire:				
Within one year	-	-	17	42
Between two and five years	30	67	245	182
	30	67	262	224

Notes (continued)

22 Pension costs

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

	2013 £000	2012 £000
Contributions payable by the group for the period	499	414

23 Analysis of net debt

	At beginning of year £000	Cash flows £000	At end of period £000
Cash at bank and in hand	26,634	1,992	28,626
Debt due within one year	-	(2,878)	(2,878)
	26,634	(886)	25,748
Debt due after one year	(10,675)	10,675	-
	15,959	9,789	25,748

24 Related party transactions

During the year the group made sales of £1,160,000 to, and purchases of £985,000 from companies under the ownership of Robertson Group (Holdings) Limited. At the year end, £15,889,000 was due from and £18,365,000 was due to these companies.

In addition, during the year the group made sales to joint venture companies of Robertson Group (Holdings) Ltd and at the year end, balances were due from these companies as follows :

	Turnover £000	Year end balance £000
Robertson Dawn Health Limited		
- contracting revenue secured through a framework agreement	19,776	1,773
PFI / PPP joint venture companies		
- contracting revenue	10,489	1,174

25 Parent and ultimate controlling party

The company is a subsidiary undertaking of Robertson Group Limited. The ultimate parent company is Robertson Group (Holdings) Limited, incorporated in Scotland and controlled by W G Robertson.

The smallest group in which the results of the company are consolidated is that headed by Robertson Group Limited. The largest group in which the results are consolidated is that headed by Robertson Group (Holdings) Limited. The consolidated accounts of these groups are available to the public and may be obtained from Robertson Group Limited, 10 Perimeter Road, Elgin, IV30 6AE.

26 Post Balance Sheet Events

In September 2013, Robertson Capital Projects, a fellow subsidiary, disposed of interests in Elgin Infrastructure Limited and Robertson Capital Projects Investments Limited. The disposal of these investments realised cash inflows of £73 million which were used to repay bank borrowings.