

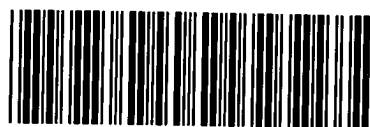
Robertson Construction Group Limited

Annual report and financial statements

Registered number SC347921

Year ended 30 June 2023

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Company information

Directors	W G Robertson E C Robertson I Wilson B McQuade
Secretary	R I Campbell
Company number	SC347921
Registered office	10 Perimeter Road Pinefield Industrial Estate Elgin Moray IV30 6AE
Auditor	RSM UK Audit LLP Chartered Accountants Third Floor, Centenary House 69 Wellington Street Glasgow G2 6HG
Bankers	Santander UK plc Ground Floor, 301 St Vincent Street Glasgow G2 5HN
Solicitors	Addleshaw Goddard LLP Exchange Tower 19 Canning Street Edinburgh EH3 8EH

Strategic report

Principal activities

Robertson Construction Group Limited (“the Group”) provides construction and property development services to clients throughout Scotland and the North of England. Its aim is to identify opportunities early in their development to enable it to work in partnership with - and deliver best value for - its clients and wherever possible, establish long term relationships with them.

Business review

Our longer-term strategy continues to have a positive effect on the business and we have a solid balance sheet and capital base. In relation to our core activities, we have seen a sustained performance with turnover of £493m (2022: £462m) delivering profit before tax of £16.1m (2022: £22.5m).

Total net cash held at the year-end was £95m (2022: £96m). Robust cash management processes continue across the Group and this allows the Group to have certainty over funds available for future growth and investments.

The Group operated across over 100 construction sites and maintained its strong trading platform across Scotland and the north of England. The health, safety and wellbeing of all our staff and supply chain continues to be our focus and we have ensured safe operating procedures continued on all our sites and within our offices throughout the year. We continually make operational and productivity improvements to methods of working on site and across our businesses.

The year has continued to see unprecedented levels of inflation across materials, labour and energy, but in conjunction with our clients and supply chain, we have sustained our overall strategy of delivering a quality product and service, whilst achieving value for money for our clients and an appropriate margin for ourselves. Interest rate rises have also squeezed available budgets across both the public and private sectors. Inflation costs across so many aspects of the economy have forced both the public and private sectors to reevaluate projects with a number delayed or cancelled as a result of pressure on both revenue and capital budgets. Despite these issues, the group has continued to ensure that it can demonstrate value for money across our client base.

Our new financial year has got off to a positive start, but, like many businesses, we continue to manage the ongoing challenges of labour shortages and continued inflationary pressures. By working with our clients and supply chain, we try to mitigate the risks for us all as much as we can in exceptionally difficult inflationary times.

Strategy

Our strategy continues to be predicated on creating value from our businesses, through on-going trading relationships, use of frameworks, long term investing, selective quality workload and ensuring the highest levels of product quality and service delivery. Our focus going forward will be on innovation, sustainability, productivity and improving profitability.

As part of the business planning exercise undertaken during the year, all businesses within the group were asked to deliver a significantly enhanced plan, looking forward five years. This process should ensure a sustained future for the group and a clear roadmap of delivery of these plans.

The Group continues to develop and strengthen its business development function focusing on using the knowledge of the market to target specific market sectors and key clients within those sectors. Through this process we identify areas of opportunities where there is scope to use our broad range of products and services. We can provide innovative delivery solutions, therefore, improving value for money delivery for clients and enhancing sustainable returns for the Group.

The strategy of the Group continues to be that of a focus on operational performance and delivery. Our aim is to deliver high quality outcomes for all our customers, across every project and contract we undertake. We continually look at our efficiency and challenge our cost base to deliver the desired commercial return. We are fortunate to have developed a significant internal and external supply chain, giving us, and our customers, the confidence in our ability to continually deliver the service they want.

Strategic report (continued)

Strategy (continued)

The Health and Safety of our employees, customers, supply chain partners and the general public is our number one priority. Our fundamental goal is that every person attending a Robertson site or office, return home in the same condition of health that they had when they arrived. Our 'Home Safe' campaign has been attended by every employee of the Group and will deal with behavioural safety as well as mental wellbeing of our employees. The "Home Safe" campaign has been extended to our supply chain, and to date over 10,000 people have attended this course. We also have in place an online pre-enrolment process for anyone who intends to go onto any of our construction sites. This has been an internally developed series of videos, with questions which must be completed to allow site access. It also requires to be retaken annually.

Principal risks and uncertainties affecting the business

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

- **Economic risk.** The Group's future profitability could be negatively affected by a deterioration in the general economic conditions in the United Kingdom including, in particular, the cost and availability of credit.
- **Inflationary risk.** The Group's future profitability could be negatively impacted by material price increases and also increasing labour costs. We try to mitigate this by entering long terms agreements with key suppliers, and developing supply chain relationships
- **Material availability risk.** The Group's profitability could be negatively impacted by material shortages. The impact on programmes and delivery of projects could cause significant financial penalties. By working with our supply chain, and buying and storing materials in advance we try to ensure that we have what we need at the appropriate time.
- **Interest rate risk.** The Group continues to finance its operations through overdrafts and cash in hand and recognises that interest costs will be subject to interest rate fluctuation. Currently the Group has no external borrowings. The Group has historically minimised interest rate movements by entering into interest rate hedges on part of its borrowings, and would do so again if appropriate.
- **Credit risk:** The Group is exposed to the credit risk that some of its customers may be unable to pay when the debt falls due. This may be due to cash flow problems, difficult trading or financial issues of the customers. Failure to receive all monies due would have an adverse effect on Group cash flow and profitability.
- **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.
- **Climate change risk:** The Group is committed to addressing climate change risk. We have a responsible business strategy in place which aims to retain our current 'climate positive' status and improve upon this through a series of targeted measures to reduce our emissions.
- **Financial instruments:** The Group does not use complex financial instruments. Financial risk management objectives and policies, as well as exposure to price and credit risk are discussed in the strategic report above.

Strategic report (continued)

Key performance indicators

Key financial performance indicators include the monitoring of turnover, profit before tax and cashflow.

Key financial performance indicators

		Year ended 30 June 2023	Year ended 30 June 2022	Measure
Profit before tax	£000	16,062	22,450	
Gross Margin	%	6.8%	8.1%	Gross profit/turnover
Overhead recovery	%	4.1%	3.5%	Admin expenditure/turnover
Cashflow decrease	£000	(1,013)	(21,354)	Net funds movement, after dividends paid
Debtors days	Days	21	20	Trade debtors / turnover * 365
Number of employees (average)	Number	978	888	Average number

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

Employees

During the period 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 period, 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.

Political and charitable donations

The Group made no political contributions during the period. Donations to UK charities amounted to £5,718 (2022: £11,901).

Future developments

The directors expect the general level of activity to continue to remain steady. The directors aim to maintain the management policies which have resulted in the Group's continued trading performance in recent years.

This report was authorised by the board and signed on its behalf by:

Irene Wilson

I Wilson
Director

Date: 20/02/24

10 Perimeter Road
Pinefield Industrial Estate
Elgin, IV30 6AE

Directors' report

The directors present their audited financial statements for the year ended 30 June 2023.

The directors have included in the Strategic Report matters required by regulations under section 416(4), these include future developments, employees and charitable donations.

Directors

The directors who held office during the period and to the date of this report were as follows:

W G Robertson
E C Robertson
I Wilson
B McQuade

Directors' indemnities

The Group has made qualifying third party indemnity provisions for the benefit of its directors which were made during the period and remain in force at the date of this report.

Principal activities

The Group is a construction and support services business with principal activities in construction, property development and investment, civil engineering, mechanical and electrical engineering. These activities are carried out by a number of principal subsidiaries.

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 Group has conducted a thorough review of workload, overhead and cashflows. A forecast model was prepared for the Group for the new financial year and the next financial year. This showed the profitability and positive cash position of the Group. Stress testing was also performed to assess the impact of up to a 30% reduction in turnover. Under these scenarios the Group would remain profitable and cash positive.

The Group continues to review the trading and cash flow performance of the Group against forecast. This includes the review of daily and weekly cash flows, project performance against budget in terms of turnover and productivity. If we experience a material change in our work winning and delivery, the Group is in a strong position to deal with any slow down.

At the Statement of financial position date, the Group had no requirement for any debt facilities to be in place with its bank. Robertson Group Limited has a cash pooling arrangement in place for its subsidiaries, resulting in overdraft positions for some subsidiary companies. However, there is no overdraft facility for the combined Group. This was also the case at the date of signing and the Group maintains healthy positive cash balances. The latest trading performance is tracking on budget representing sustained profitability. The Group recognises that the management of cash resources is paramount and the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus, the directors continue to adopt the going concern basis in preparing the annual financial statements.

Dividends

The directors recommended and paid an interim dividend of £12.6m (2022:£14.1m). No final dividend has been recommended.

Directors' report (continued)

Disclosure of information to auditor

Each of the persons who is a director 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 group's auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as directors to make themselves aware of any relevant audit information and to establish that the group's auditor is aware of that information.

Section 172(1) statement

The directors have acted in accordance with their duties which include their duty to act in the way in which they consider, in good faith, would be most likely to promote the long term success of the Group for the benefit of its members as a whole, having regard to the stakeholders and matters set out on section 172(1) of the Companies Act 2006:

- The long term success of the Group is embedded in decision making at Board level including regular engagement with the shareholders, who are also directors. The Group conducts monthly Performance Reviews at subsidiary level which are attended by the full senior management teams. All new potential construction and facilities management contracts, and development opportunities are subject to a 3 stage gateway process with final approval by the Group directors before an opportunity can be bid for.
- The Group conducts regular Board Meetings which are attended by the full Group board which includes shareholders.
- The drive to maintain high standards of business conduct remains a focus of the directors and is reinforced with the adoption of the "Robertson Way" with its five principles: we listen, we are professional, we take responsibility, we are determined to succeed, and we are one team.
- The most valuable asset of the Group is the quality of our staff and it is our strategic aim to create a high performance culture; educating, training and developing our people. The people strategy is being developed to ensure we continue to identify training requirements across all grades and roles.
- The Group's operations are dependent on fostering strong working relationships across a wide-ranging supply chain. We endeavour to involve the supply chain at an early stage in all development projects as the viability of projects can be dependent on finding the optimum technical solutions. The Group also recognises the benefits of providing visibility of future projects to allow the supply chain to commit resources for the longer term.
- We are committed to ensuring local communities and economies benefit from the Group's presence. This includes opportunities for employment, providing work experience, training and career enhancement across all areas of the business. The local economy also benefits from supply chain being afforded the opportunity to participate in our projects. We work closely with Local Authorities to understand community priorities and requirements to help identify development opportunities.
- The Group aims to protect our environment by operating a robust environmental management system across all residential operations. Our environmental aspects and impacts are assessed on an annual basis and appropriate environmental control measures are implemented, monitored and continually improved to ensure we protect our environment for present and future generations. The Group continues to retain its 'climate positive' status and aims to improve upon this through a series of targeted measures to reduce our emissions.
- The directors are committed to recognising the needs to maintain a fair balance between the potentially competing interests of the different members of the Group.

Exemption has been taken from the disclosures required under the Streamlined Energy and Carbon Reporting (SECR) as these have been included on a consolidated basis in the financial statements of Newlands (Elgin) Holdings Limited.

Directors' report (continued)

Financial instruments

The Group does not use complex financial instruments. Financial risk management objectives and policies, as well as exposure to price and credit risk are discussed in the strategic report.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and RSM UK Audit LLP will therefore continue in office.

This report was authorised by the board and signed on its behalf.

Irene Wilson

I Wilson

Director

Date: 20/02/24

10 Perimeter Road
Pinefield Industrial Estate
Elgin, IV30 6AE

Directors' responsibilities statement

The directors are responsible for preparing the Group's Strategic report, 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 period. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland').

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 and profit or loss of the company and Group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and 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 company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence take reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROBERTSON CONSTRUCTION GROUP LIMITED

Opinion

We have audited the financial statements of Robertson Construction Group Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 June 2023 which comprise the consolidated profit and loss account, the consolidated statement of comprehensive income, the consolidated balance sheet, the company balance sheet, the consolidated statement of changes in equity, the company statement of changes in equity, the consolidated cash flow statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 30 June 2023 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROBERTSON CONSTRUCTION GROUP LIMITED (CONTINUED)

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 8, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROBERTSON CONSTRUCTION GROUP LIMITED (CONTINUED)

The extent to which the audit was capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory frameworks that the group and parent company operate in and how the group and parent company are complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures, inspecting correspondence with local tax authorities, reviewing board and committee meeting minutes and enquires with management.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to health and safety. We performed audit procedures to inquire of management and those charged with governance whether the group is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

The group audit engagement team identified the risk of management override of controls and management bias in accounting estimates as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business. We evaluated whether there was evidence of bias by management in accounting estimates that represented a risk of material misstatement due to fraud. We challenged assumptions and judgements made by management in their significant accounting estimates, in particular in relation to contract accounting, including the expected margin through assessment of post year end performance and stage of completion, through discussions with the relevant individuals, corroborating evidence provided.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities> This description forms part of our auditor's report.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROBERTSON CONSTRUCTION
GROUP LIMITED (CONTINUED)**

Use of our report

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.

Alan Aitchison

ALAN AITCHISON (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
Third Floor, Centenary House
69 Wellington Street
Glasgow, G2 6HG

Date 27/02/24

Consolidated statement of comprehensive income
for the year ended 30 June 2023

	<i>Note</i>	Year ended 30 June 2023 £000	Year ended 30 June 2022 £000
Turnover	3	489,553	459,748
Cost of sales		(456,476)	(422,430)
Gross profit		33,077	37,318
Administrative expenses		(20,023)	(16,240)
Other operating income		2,083	-
Total operating profit	4	15,137	21,078
Interest receivable and similar income	5	1,433	1,570
Interest payable and similar charges	5	(508)	(198)
Profit before taxation		16,062	22,450
Tax on profit	7	(3,311)	(4,016)
Profit for the financial period		12,751	18,434
Total comprehensive income for the period		12,751	18,434

There was no other comprehensive income for the period ended 30 June 2023 (2022: £nil).

The notes on pages 19 to 34 form part of these financial statements.

Consolidated statement of financial position
at 30 June 2023

		30 June 2023		30 June 2022	
	<i>Note</i>	£000	£000	£000	£000
Fixed assets					
Tangible assets	9		851		989
Investment properties	10		518		1,205
			<u>1,369</u>		<u>2,194</u>
Current assets					
Stocks	12	6,280		6,930	
Debtors due within one year	13	86,143		79,287	
Debtors due after one year	13	10,794		8,905	
Cash at bank and in hand		130,269		104,621	
		<u>233,486</u>		<u>199,743</u>	
Creditors: amounts falling due within one year	14	(170,099)		(139,865)	
Net current assets			<u>63,387</u>		<u>59,878</u>
Total assets less current liabilities			<u>64,756</u>		<u>62,072</u>
Creditors: amounts falling due after more than one year	14		(7,800)		(5,129)
Provisions for liabilities	15		(21)		(148)
Net assets			<u>56,935</u>		<u>56,795</u>
Capital and reserves					
Called up share capital	16		1		1
Merger reserve	16		9,679		9,679
Profit and loss account			47,255		47,115
Shareholder's funds			<u>56,935</u>		<u>56,795</u>

The notes on pages 19 to 34 form part of these financial statements.

These financial statements of Robertson Construction Group Limited were approved by the board of directors and authorised for issue on 20/02/24..... They were signed on its behalf by:

Irene Wilson

I Wilson
Director

Company statement of financial position
at 30 June 2023

	<i>Note</i>	30 June 2023 £000	30 June 2022 £000
Fixed assets			
Tangible assets	9	114	314
		<u>114</u>	<u>314</u>
Current assets			
Debtors due within one year	13	49,473	58,673
Debtors due after one year	13	2,386	2,773
Cash		-	26,107
		<u>51,859</u>	<u>87,553</u>
Creditors: amounts falling due within one year	14	(42,061)	(75,167)
		<u>9,798</u>	<u>12,386</u>
Net current assets			
		<u>9,912</u>	<u>12,700</u>
Total assets less current liabilities			
		<u>9,912</u>	<u>12,700</u>
Creditors: amounts falling due after more than one year	14	(1,314)	(347)
Provisions for liabilities	15	-	(6)
Net assets		<u>8,598</u>	<u>12,347</u>
Capital and reserves			
Called up share capital	16	1	1
Profit and loss account		8,597	12,346
Shareholder's funds		<u>8,598</u>	<u>12,347</u>

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of comprehensive income in these financial statements. The profit after tax of the parent company for the period was £8,862,000 (2022: £12,189,000).

The notes on pages 19 to 34 form part of these financial statements.

These financial statements of Robertson Construction Group Limited were approved by the board of directors and authorised for issue on ... 20/02/24..... They were signed on its behalf by:

Irene Wilson

I Wilson
Director

Consolidated statement of changes in equity

For the year ended 30 June 2023

	Called-up share capital	Merger reserve	Profit and loss account	Total
	£000	£000	£000	£000
At 1 July 2021	1	9,679	42,757	52,437
Profit for the financial period	-	-	18,434	18,434
Dividend paid (note 8)	-	-	(14,076)	(14,076)
At 30 June 2022	1	9,679	47,115	56,795
At 1 July 2022	1	9,679	47,115	56,795
Profit for the financial year	-	-	12,751	12,751
Dividend paid (note 8)	-	-	(12,611)	(12,611)
At 30 June 2023	1	9,679	47,255	56,935

The notes on pages 19 to 34 form part of these financial statements.

Company statement of changes in equity
For the year ended 30 June 2023

	Called-up share capital	Profit and loss account	Total
	£000	£000	£000
At 1 July 2021	1	14,233	14,234
Profit for the financial period	-	12,189	12,189
Dividend paid (note 8)	-	(14,076)	(14,076)
At 30 June 2022	1	12,346	12,347
At 1 July 2022	1	12,346	12,347
Profit for the financial year	-	8,862	8,862
Dividend paid (note 8)	-	(12,611)	(12,611)
At 30 June 2023	1	8,597	8,598

The notes on pages 19 to 34 form part of these financial statements.

Consolidated statement of cash flows
for the year ended 30 June 2023

	Year ended 30 June 2023 £000	Year ended 30 June 2022 £000
Cash flows from operating activities		
Profit for the financial period	12,751	18,434
Depreciation of Tangible assets	503	624
Impairment of Tangible assets	34	-
Impairment of Investment properties	117	-
Net interest receivable	(925)	(1,372)
Taxation expense	3,311	4,016
Decrease / (increase) in stocks	650	(2,610)
(Increase) / decrease in trade and other debtors	(6,564)	3,512
Increase / (decrease) in creditors	6,242	(26,924)
Cash from / (used in) operations	16,119	(4,320)
Interest paid	(508)	(198)
Taxation paid	(5,618)	(4,124)
Net cash generated from / (used by) operating activities	9,993	(8,642)
Cash flow from investing activities		
Interest received	1,433	1,570
Purchase of tangible fixed assets	(407)	(206)
Proceeds from sale of tangible fixed assets	9	-
Proceeds from sale of investment properties	570	-
Net cash flow from investing activities	1,605	1,364
Cash flow from financing activities		
Dividends paid	(12,611)	(14,076)
Net cash flow used in financing activities	(12,611)	(14,076)
Net decrease in cash at bank and in hand	(1,013)	(21,354)
Cash and cash equivalents at 1 July 2022	96,046	117,400
Cash and cash equivalents at 30 June 2023	95,033	96,046
Cash and cash equivalents at 30 June 2023 consist of:		
Cash at bank and in hand	130,269	104,621
Debt due within one year	(35,236)	(8,575)
Cash and cash equivalents	95,033	96,046

The notes on pages 19 to 34 form part of these financial statements and accounting policies.

Notes

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.

General information and basis of preparation

Robertson Construction Group Limited is a private company limited by shares incorporated in Scotland, United Kingdom, under the Companies Act. The address of the registered office, which is based in Scotland, is given on page 1. The nature of the Group's operations and its principal activities are set out in the strategic report on pages 2 to 4.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.

The Company meets the definition of a qualifying entity under FRS 102 and has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48A;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29; and
- the requirements of Section 33 Key Management Personnel Compensation paragraph 33.7.

The Company intends to present its next set of financial statements with the same disclosure exemptions adopted.

Robertson Construction Group Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements, which are presented alongside the consolidated financial statements. Exemptions have been taken in relation to presentation of a cash flow statement.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 2).

The functional currency of Robertson Construction Group Limited is considered to be pounds sterling, rounded to the nearest thousand, because that is the currency of the primary economic environment in which the company operates. The consolidated financial statements are also presented in pounds sterling, rounded to the nearest thousand.

Basis of consolidation

The consolidated financial statements include the financial statements of the company and its subsidiary undertakings made up to 30 June 2023. Intercompany transactions and balances between Group companies are therefore eliminated in full.

The acquisition method of accounting has been adopted. Under this method, the results of subsidiary undertakings acquired or disposed of in the period are included in the consolidated statement of comprehensive income from the date of acquisition or up to the date of disposal.

An associate is an undertaking in which the Group has a long term interest, usually from 20% to 50% of the equity voting rights, and over which it exercises significant influence. 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 associates and of joint ventures is included in the consolidated statement of comprehensive income and its interest in their net assets, is included in investments in the consolidated statement of financial position.

Under section 408 of the Companies Act 2006 the company is exempt from the requirement to present its own statement of comprehensive income.

Notes (continued)

1 Accounting policies (continued)

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 Group has conducted a thorough review of workload, overhead and cashflows. A forecast model was prepared for the Group for the new financial year and the next financial year. This showed the profitability and positive cash position of the Group. Stress testing was also performed to assess the impact of up to a 30% reduction in turnover. Under these scenarios the Group would remain profitable and cash positive.

The Group continues to review the trading and cash flow performance of the Group against forecast. This includes the review of daily and weekly cash flows, project performance against budget in terms of turnover and productivity. If we experience a material change in our work winning and delivery, the Group is in a strong position to deal with any slow down.

At the Statement of financial position date, the Group had no requirement for any debt facilities to be in place with its bank. Robertson Group Limited has a cash pooling arrangement in place for its subsidiaries, resulting in overdraft positions for some subsidiary companies. However, there is no overdraft facility for the combined Group. This was also the case at the date of signing and the Group maintains healthy positive cash balances. The latest trading performance is tracking on budget representing sustained profitability. The Group recognises that the management of cash resources is paramount and the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus, the directors continue to adopt the going concern basis in preparing the annual financial statements.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value of each asset on a straight-line basis over its expected useful life, 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.

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Investment properties

Investment properties for which fair value can be measured reliably without undue cost or effort on an ongoing basis are measured at fair value annually with any changes recognised in the statement of comprehensive income.

Development expenditure

Pre-contract costs are expensed as incurred until the Group is appointed as sole preferred bidder. Provided the contract is expected to generate sufficient net cash inflows to enable recovery and the award of contract is virtually certain, pre-contract costs incurred subsequent to 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 Statement of comprehensive income.

Notes (continued)

1 Accounting policies (continued)

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to sell, which is equivalent to the 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.

Leases

Assets held under hire purchase contracts, which confer rights and obligations similar to those attached to owned assets, are capitalised as tangible fixed assets at the fair value of the leased asset and depreciated over the shorter of the lease term and their useful lives. The capital elements of future lease obligations are recorded as liabilities, whilst the interest elements are charged to the Statement of comprehensive income over the period of the leases to produce a constant periodic rate of interest on the remaining balance of the liability.

Rental under operating lease rentals are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis.

Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the Statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is the amount of income tax payable in respect of the taxable profit for the period or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

Debtors

Debtors are measured at transaction price, less any impairment.

Notes (continued)

1 Accounting policies (continued)

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Creditors

Creditors are measured at the transaction price.

Contingent liabilities

Contingent liabilities, arising as a result of past events, are not recognised when it is not probable that there will be an outflow of resources or that the amount cannot be reliably measured at the reporting date. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Financial instruments

The Group only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Pensions

The Group contributes to defined contribution company personal pension plans for employees who also undertake to contribute, the costs of which are charged to the statement of comprehensive income as they become payable. The amount charged to the statement of comprehensive income represents the contributions payable to the scheme in respect of the accounting period. Differences between contributions payable in the period and contributions actually paid are shown as accruals in the statement of financial position. The assets of the plan are held separately from the Group in independently administered funds.

Notes (continued)

1 Accounting policies (continued)

Revenue recognition and long term contracts

Turnover represents amounts receivable for the sale of goods and services, rental income and work done in the case of long term contracts.

Turnover is stated net of VAT and is recognised to the extent that economic benefits will flow to the Group and the turnover can be reliably measured. Turnover from the supply of services represents the value of services provided under contract. Where payments are received from customers in advance, the amounts are recorded as deferred income and included as part of creditors due within one year.

Where the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the statement of financial position date. This is normally measured by the value of services provided under contract to date, except where this would not be representative of completion. Variations in contract works, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable.

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

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

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 the value of services provided under contract, less amounts recognised in previous years. Provision is made for any losses as soon as they are foreseen.

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

Rental income is recognised as it is earned.

Government grants

Grants of a revenue nature are recognised in "other income" within profit or loss in the same period as the related expenditure.

2 Significant judgements and estimates

In the application of the Group's accounting policies, as described in Note 1, the directors and management are required to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities at the period end date, and the amounts reported for revenues and expenses during the period.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, and in future periods should it affect future periods.

The ordinary judgements and estimates are those as detailed in note 1.

Management consider that the following have the most significant effect on the amounts recognised in the financial statements:

- Financial outcome of individual construction contracts – all long term contracts are reviewed on a monthly basis, with particular attention to contract stage of completion, costs to date and costs still to be incurred. Movement in margin is recognised when prudent to do so but immediately in the event there is a foreseeable loss.
- For contracts that contain an on-time completion bonus payment, revenue is not recognised until all conditions of completion are met and therefore revenue has been earned.
- Valuation of investment properties – as referred to in note 10 property values are reviewed annually and are subject to fair value assessments by appropriately qualified employees.

Notes (continued)

3 Turnover

The total turnover of the Group for the period has been derived from the Group's principal activities wholly undertaken in the UK. No segmental analysis of turnover is provided as in the opinion of the directors this information is commercially sensitive.

4 Operating profit

	Year ended 30 June 2023 £000	Year ended 30 June 2022 £000
<i>Operating profit is stated after charging / (crediting):</i>		
Depreciation of tangible assets	503	624
Impairment of tangible assets	34	-
Impairment of investment properties	117	-
Operating lease rentals	1,809	1,369
Research and Development Expenditure Credits	(2,083)	-
<i>Auditor's remuneration</i>		
Audit of these financial statements	15	18
Amounts receivable by auditors and their associates in respect of:		
Audit of financial statements of subsidiaries pursuant to legislation	151	118
Other services relating to taxation & other services	-	-

The audit fee and any non-audit fees are borne by its parent company, Robertson Group Limited. There were no non-audit fees payable to the Auditor in the year ended 30 June 2023.

None of the directors received any emoluments from the company or Group. Key management personnel are considered to be the directors of the immediate parent company, Robertson Group Limited. Details of their remuneration are given in note 6.

5 Interest payable and receivable

	Year ended 30 June 2023 £000	Year ended 30 June 2022 £000
<i>Interest receivable and similar income:</i>		
Interest receivable from related parties	1,433	1,570
<i>Interest payable and similar charges:</i>		
Interest payable to related parties	508	198

Notes (continued)

6 Staff numbers and costs

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

	Company		Group	
	Year ended 30 June 2023	Year ended 30 June 2022	Year ended 30 June 2023	Year ended 30 June 2022
	Number	Number	Number	Number
Construction	206	185	844	772
Property development	-	-	4	5
Administration	69	62	130	111
	<u>275</u>	<u>247</u>	<u>978</u>	<u>888</u>

The aggregate payroll costs to these persons were as follows:

	Year ended 30 June 2023 £000	Year ended 30 June 2022 £000	Year ended 30 June 2023 £000	Year ended 30 June 2022 £000
Wages and salaries	14,609	11,977	56,116	48,320
Social security costs	1,595	1,269	6,262	5,310
Other pension costs	749	534	3,067	2,271
	<u>16,953</u>	<u>13,780</u>	<u>65,445</u>	<u>55,901</u>

Notes (continued)

6 Staff numbers and cost (continued)

Key management personnel are considered to be the Board of Directors of the immediate parent company, Robertson Group Limited. It is not practicable to allocate their total remuneration for services received by each subsidiary company. Accordingly, their total compensation details are given below.

	Year ended 30 June 2023 £000	Year ended 30 June 2022 £000
Directors' emoluments	3,011	2,810
Company contributions to money purchase schemes	91	38
	3,102	2,848

Retirement benefits are accruing to 2 directors (2022: 2) under money purchase pension schemes. The total emoluments of the highest paid director were £1,122,000 (2022: £1,194,000). Pension contributions made on their behalf were £55,000 (2022: ££51,000).

7 Tax on profit

	Year ended 30 June 2023 £000	Year ended 30 June 2022 £000
Analysis of charge in the period		
<i>UK corporation tax</i>		
Current tax on income for the period	3,479	3,998
Adjustment in respect of prior periods	399	(260)
	3,878	3,738
<i>Group Relief</i>		
Current tax on income for the period	(440)	323
	(440)	323
Total current tax charge	3,438	4,061
<i>Deferred tax (note 15)</i>		
Origination/reversal of timing differences	(127)	(45)
Total tax on profit	3,311	4,016

Notes (continued)

7 Tax on profit (continued)

Factors affecting the tax charge for the current year

The current tax charge for the period is more than (2022: *than*) the standard rate of corporation tax in the UK of 20.5% (2022: 19%). The differences are explained below.

	Year ended 30 June 2023 £000	Year ended 30 June 2022 £000
<i>Current tax reconciliation</i>		
Profit before tax	16,062	22,450
Current tax at 20.5% (2022: 19%)	3,292	4,265
<i>Effects of:</i>		
Non-deductible expenses	40	20
Deferred tax change in rates	(23)	(12)
Income not taxable	(427)	-
Adjustment to tax charge in respect of prior years – current tax	399	(256)
Adjustment to tax charge in respect of prior years – deferred tax	-	(1)
Group relief claimed	-	(324)
Payment for group relief	-	324
Capital gains differences	30	-
Total tax charge (see above)	3,311	4,016

Factors affecting the future tax charges

The Government announced in the Budget on 3 March 2021 that the main rate of corporation tax would increase to 25% for the financial year beginning 1 April 2023. These new laws were substantively enacted on 24 May 2021. The Fiscal Event of 23 September 2022 reversed the planned increase in the headline rate of corporation tax from 19% to 25% that had been planned from 1 April 2023. However that has now been overturned and the increase will go ahead as planned as confirmed in the Autumn statement in November 2022. Deferred taxes at the balance sheet date have been measured using the enacted tax rate of 25% and reflected in these financial statements.

8 Dividends on equity shares

	Year ended 30 June 2023 £000	Year ended 30 June 2022 £000
Interim dividend paid	12,611	14,076

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
<i>Cost</i>					
At beginning of period (restated)	314	2,050	1,496	305	4,165
Additions	-	325	82	-	407
Disposals	-	(181)	(167)	(15)	(363)
Revaluations	(34)	-	-	-	(34)
Transfers	-	(134)	134	-	-
At end of period	280	2,060	1,545	290	4,175
<i>Depreciation</i>					
At beginning of period	53	1,655	1,173	295	3,176
Charge for the period	-	238	261	4	503
Disposals	-	(174)	(166)	(15)	(355)
Transfers	-	(97)	97	-	-
At end of period	53	1,622	1,365	284	3,324
<i>Net book value</i>					
At 30 June 2023	227	438	180	6	851
At 30 June 2022	261	395	323	10	989
<i>Company</i>					
	Motor vehicles £000	Plant and machinery £000	Fixtures, fittings and equipment £000	Total £000	
<i>Cost</i>					
At beginning of period	18	234	1,339	1,591	
Additions	-	-	78	78	
Disposals	(18)	-	(119)	(137)	
Transfers	-	(134)	134	-	
At end of period	-	100	1,432	1,532	
<i>Depreciation</i>					
At beginning of period	18	173	1,086	1,277	
Charge for the period.	-	18	259	277	
Disposals	(18)	-	(118)	(136)	
Transfers	-	(97)	97	-	
At end of period	-	94	1,324	1,418	
<i>Net book value</i>					
At 30 June 2023	-	6	108	114	
At 30 June 2022	-	61	253	314	

Notes (continued)

10 Investment properties

	Group £000
<i>Cost or valuation</i>	
At beginning of period	1,205
Disposals	(570)
Impairment	(117)
At end of period	518

Investment properties, which are all freehold, were revalued to fair value at 31 March 2018 based on a valuation undertaken by Rydens (members of The Royal Institute of Chartered Surveyors), an independent valuer with experience in the location and class of the investment property being valued, on the basis of open market value based on the Appraisal and Valuation Manual of The Royal Institution of Chartered Surveyors. For the current year an internal valuation report was prepared by our Group Property Manager who is a member of The Royal Institute of Chartered Surveyors. The valuation report prepared was consistent with that role, on the basis of open market value based on the Appraisal and Valuation Manual of The Royal Institution of Chartered Surveyors. This report was reviewed by the Company directors and the values were considered to be appropriate at 30 June 2023.

If investment properties had been accounted for under the historic accounting rules, the properties would have been measured as follows:

	30 June 2023 £000	30 June 2022 £000
Historic cost	765	1,334
Accumulated depreciation and impairments	(519)	(799)
	246	535

The company had no investment properties.

11 Fixed asset investments

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

	Country of registration or incorporation	Class	Shares held %	Principal activity
Subsidiary undertakings				
Robertson Construction Central Limited (A)	Scotland	Ordinary	100	Construction
Robertson Construction Eastern Limited (A)	Scotland	Ordinary	100	Construction
Robertson CE Limited (A)	Scotland	Ordinary	100	Construction
Robertson Construction Northern Limited (A)	Scotland	Ordinary	100	Construction
Robertson Construction Tayside Limited (A)	Scotland	Ordinary	100	Construction
Robertson Construction Highland Limited (A)	Scotland	Ordinary	100	Construction
Robertson Construction Central Scotland Limited (A)	Scotland	Ordinary	100	Construction
Robertson Property Limited (A)	Scotland	A and B	100	Property development
		Ordinary		
Robertson-Dawn Health Limited (B)	Scotland	Ordinary	100	Construction
Robertson Construction Yorkshire East Midlands Limited (C)	England	Ordinary	100	Construction
Robertson Construction North West Limited (C)	England	Ordinary	100	Construction
Robertson Construction Central West Limited (A)	Scotland	Ordinary	100	Construction
Robertson Civil Engineering Limited (A)	Scotland	Ordinary	100	Construction

A - 10 Perimeter Road, Pinefield Industrial Estate, Elgin, Scotland, IV30 6AE

B - Robertson House, Castle Business Park, Stirling, Stirlingshire, FK9 4TZ

C - Level 4, West Tower, Baltic Place, Gateshead, NE8 3AE

Notes (continued)

12 Stocks

	30 June 2023	Group 30 June 2022
	£000	£000
Development land	6,280	6,930

Stock impaired in the year amounts to £nil (2022: £nil).

The company had no stocks.

13 Debtors

	30 June 2023	Company 30 June 2022	30 June 2023	Group 30 June 2022
	£000	£000	£000	£000
<i>Amounts falling due within one year:</i>				
Trade debtors	1,547	1,134	28,379	25,106
Amounts recoverable on contracts	9,189	17,236	48,220	48,659
Amounts owed by Group undertakings	33,836	32,449	2,111	246
Amounts owed by related parties	116	770	3,464	2,213
Other debtors	-	-	164	164
Prepayments and accrued income	326	619	956	1,432
Other tax and social security	2,479	6,110	-	798
Group relief receivable from related parties	1,946	-	2,849	314
Corporation tax	-	355	-	355
Deferred tax (note 15)	34	-	-	-
	<u>49,473</u>	<u>58,673</u>	<u>86,143</u>	<u>79,287</u>
<i>Amounts falling due after more than one year:</i>				
Amounts recoverable on contracts	2,386	2,773	10,794	8,905
	<u>2,386</u>	<u>2,773</u>	<u>10,794</u>	<u>8,905</u>

Amounts owed by group undertakings are interest free, due on demand and bear no fixed term of repayment.

Notes (continued)

14 Creditors: amounts falling due within one year

	Company		Group	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	£000	£000	£000	£000
Bank loans and overdrafts (note 22)	22,695	-	35,236	8,575
Payments received on account	201	335	22,082	13,026
Trade creditors	3,323	8,036	27,153	29,609
Amounts owed to Group undertakings	8,263	57,712	78	269
Corporation tax	-	-	3,476	3,543
Other taxes and social security	55	35	5,490	5,152
Other creditors	41	82	113	222
Group relief payable to related parties	-	218	1,403	1,334
Amounts due to related parties	13	-	14	-
Accruals and deferred income	7,470	8,749	75,054	78,135
	<u>42,061</u>	<u>75,167</u>	<u>170,099</u>	<u>139,865</u>

Amounts falling due after one year

	Company		Group	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	£000	£000	£000	£000
Trade creditors	1,314	347	7,800	5,129
	<u>1,314</u>	<u>347</u>	<u>7,800</u>	<u>5,129</u>

Amounts owed to group undertakings are interest free, due on demand and bear no fixed term of repayment.

Notes (continued)

15 Deferred tax

Deferred taxation asset / (liability)	Accelerated capital allowances	Other timing differences	Total
	£000	£000	£000
Company			
At beginning of period	(2)	(4)	(6)
Credit to the Statement of comprehensive income for the period	40	-	40
At end of period	38	(4)	34
Group	£000	£000	£000
At beginning of period	(141)	(7)	(148)
Credit to the Statement of comprehensive income for the period	91	36	127
At end of period	(50)	29	(21)

16 Called up share capital

	30 June 2023 £000	30 June 2022 £000
Group and company		
<i>Authorised</i>		
10,000 Ordinary shares of £1 each	10	10
<i>Allotted, called up and fully paid</i>		
1,024 Ordinary shares of £1 each	1	1

The company has one class of ordinary share which carries no right to fixed income.

The profit and loss account represents cumulative profits and losses, net of dividends and other adjustments, merger reserve and revaluation reserve.

The merger reserve represents the sum of retained profit of subsidiaries transferred from Robertson Group Limited to Robertson Construction Group Limited in 2010 following a Group restructure.

Notes (continued)

17 Contingencies, 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 on-going negotiations and disputes with customers. The directors are of the opinion that adequate provision has been made in respect of on-going claims and disputes at the period end.

18 Commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	Company		Group	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	£000	£000	£000	£000
Within one year	355	237	1,534	665
Between two and five years	678	350	2,902	707
	<u>1,033</u>	<u>587</u>	<u>4,436</u>	<u>1,372</u>

19 Pension costs

The Group operates a defined contribution pension scheme in respect of all eligible employees. The schemes and their assets are held by independent fund managers.

	Company		Group	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	£000	£000	£000	£000
Contributions payable for the period	749	534	3,067	2,271
	<u>749</u>	<u>534</u>	<u>3,067</u>	<u>2,271</u>

There were no outstanding contributions (Company and Group) due at the period end (2022: £nil).

Notes (continued)

20 Related party transactions

Related party transactions with 100% owned Group undertakings are excluded from the consolidated financial statements are therefore exempt from disclosure in the financial statements under the provisions of Section 33 of FRS 102.

During the period the Group made sales to associate companies and companies with a common controlling party (as noted below) and at the period end balances were due from these companies as follows:

	Turnover/(expense)		Period end balances	
	Year ended 30 June 2023	Year ended 30 June 2022	Year ended 30 June 2023	Year ended 30 June 2023
	£000	£000	£000	£000
<i>Related party companies:</i>				
Contracting and project management revenue	5,408	8,581	538	781
Contracting revenue procured through a framework agreement	20,073	7,025	2,903	839
<i>Common controlling party:</i>				
Contracting and project management revenue	11,858	9,985	9	593
Expenses incurred	(197)	(200)	-	-
	<u>37,142</u>	<u>25,391</u>	<u>3,450</u>	<u>2,213</u>

21 Parent company and ultimate controlling party

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

The largest Group in which the results of the company are consolidated is that headed by Newlands (Elgin) Holdings Limited. The consolidated financial statements of that company are available to the public and may be obtained from Newlands (Elgin) Holdings Limited, 10 Perimeter Road, Pinefield Industrial Estate, Elgin, Scotland IV30 6AE.

The smallest Group in which the results of the company are consolidated is that headed by Robertson Group Limited. The consolidated financial statements of that company are available to the public and may be obtained from Robertson Group Limited, 10 Perimeter Road, Pinefield Industrial Estate, Elgin, Scotland IV30 6AE.

22 Net debt reconciliation

	1 July 2022 £000	Cash flows £000	30 June 2023 £000
Cash at bank and in hand	104,621	25,648	130,269
Bank overdrafts	(8,575)	(26,661)	(35,236)
	<u>96,046</u>	<u>(1,013)</u>	<u>95,033</u>