

Company Registration No. 00379606 (England and Wales)

GEO. ROBSON & CO. (CONVEYORS) LIMITED

REPORTS AND FINANCIAL STATEMENTS

YEAR ENDED 29 JUNE 2015

SATURDAY



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COMPANIES HOUSE

GEO. ROBSON & CO. (CONVEYORS) LIMITED

DIRECTORS AND ADVISERS

Directors

Mrs C Robson
K D Mannion
P Biggin

Secretary

D E Billington

Company number

00379606

Registered office

Coleford Road
SHEFFIELD
S9 5PA

Registered auditors

BHP, Chartered Accountants
2 Rutland Park
Sheffield
S10 2PD

Bankers

National Westminster Bank plc
6 Bellhouse Road
SHEFFIELD
S5 6HL

GEO. ROBSON & CO. (CONVEYORS) LIMITED

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GEO. ROBSON & CO. (CONVEYORS) LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 29 JUNE 2015

Review of the business

The year ended June 2015 has been a difficult year for the Company. Sales halved from previous year to just over £11m resulting in a loss of £2.2m.

The main reason has been project difficulties with two major projects and a fixed overhead structure.

The board has now addressed the key issues

- The board appointed specialist advisors to assist in a restructuring process which is now almost complete
- The board is being strengthened and it is anticipated that two new senior director appointments will be announced shortly
- Modern financial systems and procedures including project cost control have been implemented
- A redundancy programme has been enacted however this has been undertaken not just to reduce the cost base but to retain a skilled and flexible work force of designers, assembly and installation staff
- Two long term major projects have experienced substantial cost over-runs to achieve the company's exacting technical standards. Action has been agreed and the company has made very good progress on working through a programme agreed with the clients to achieve closure for both of these contracts
- A surplus property is being sold to generate cash
- New working capital facilities are in the process of being finalised which the board consider adequate to fund future development and growth
- RJD Fabrications Limited, a wholly owned subsidiary, has declared a dividend of £2.8m which has strengthened the Robson balance sheet

The vision of the Company is to develop a world class technology-led business selling standard products, spares and maintenance together with Robson's technical skills to deliver material handling technology solutions worldwide. A senior marketing executive is being recruited to help exploit Robson's skill base

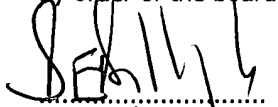
The Airport industry is currently faced with upgrading their HBS systems in 2018 due to new legislation. Anticipated order intake for projects including export has improved dramatically in the current year particularly in the airport conveyors segment which requires Robson's proven technology expertise and skills

Robson has successfully proactively targeted the sugar industry which requires Robson's unique air-glide technology

Recruitment is in progress to strengthen the spares, maintenance and service departments and grow the sales of standard products

The company has laid the foundations to return to profits.

By order of the board



.....
D E Billington
Secretary
18 March 2016

GEO. ROBSON & CO. (CONVEYORS) LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 29 JUNE 2015

The directors present their report and financial statements for the year ended 29 June 2015.

Principal activities and review of the business

The principal activity of the Group continued to be that of the design, manufacture and installation of specialised material handling plant and steel fabrications, together with large capacity machining and pipework.

Results and dividends

The consolidated profit and loss account for the year is set out on page 6.

An interim ordinary dividend was paid amounting to £68,679. The directors do not recommend payment of a final dividend for 2015 (2014: 0p per share).

Directors

The following directors have held office since 30 June 2014:

Mrs C Robson

K D Mannion

J B Martin

(Resigned 7 December 2015)

P Biggin

P R Deakin

(Resigned 18 December 2015)

D Callear

(Resigned 4 January 2016)

In accordance with the company's Articles of Association, Mr P Biggin retires by rotation and, being eligible, offers himself for re-election.

Auditors

In accordance with the company's articles, a resolution proposing that BHP, Chartered Accountants be reappointed as auditors of the company will be put at a General Meeting.

GEO. ROBSON & CO. (CONVEYORS) LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 29 JUNE 2015

Statement of directors' responsibilities

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

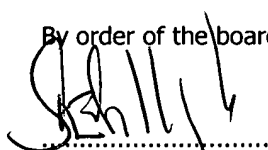
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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 the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the group's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the group's auditors are aware of that information.

By order of the board



D E Billington

Secretary

18 March 2016

GEO. ROBSON & CO. (CONVEYORS) LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF GEO. ROBSON & CO. (CONVEYORS) LIMITED

We have audited the group and parent company financial statements (the "financial statements") of Geo. Robson & Co. (Conveyors) Limited for the year ended 29 June 2015 set out on pages 6 to 28. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom 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 pages 2 - 3, 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 Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website 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 parent company's affairs as at 29 June 2015 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

GEO. ROBSON & CO. (CONVEYORS) LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF GEO. ROBSON & CO. (CONVEYORS) LIMITED

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.

Lisa Leighton (Senior Statutory Auditor)
for and on behalf of BHP, Chartered Accountants
Statutory Auditor

18 March 2016

2 Rutland Park
Sheffield
S10 2PD

GEO. ROBSON & CO. (CONVEYORS) LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 29 JUNE 2015

	Notes	2015 £	2014 £
Turnover	2 and 3	11,414,063	22,211,397
Cost of sales		(10,908,851)	(21,031,416)
Gross profit		505,212	1,179,981
Distribution costs		(134,380)	(218,143)
Administrative expenses		(2,634,445)	(2,575,911)
Other operating income		1,322	1,505
Operating loss	4	(2,262,291)	(1,612,568)
Other interest receivable and similar income		15,012	70,017
Other finance costs	15	183,000	111,000
Loss on ordinary activities before taxation	4	(2,064,279)	(1,431,551)
Tax on loss on ordinary activities	5	(143,000)	(150,000)
Loss on ordinary activities after taxation		(2,207,279)	(1,581,551)

The profit and loss account has been prepared on the basis that all operations are continuing operations.

GEO. ROBSON & CO. (CONVEYORS) LIMITED

STATEMENT OF RECOGNISED GAINS AND LOSSES

FOR THE YEAR ENDED 29 JUNE 2015

	2015	2014
	£	£
Loss for the financial year	(2,207,279)	(1,581,551)
Unrealised (deficit)/surplus on revaluation of properties	(41,872)	134,358
Actuarial (loss)/gain on pension scheme	(680,000)	(1,128,000)
Movement on deferred tax relating to pension scheme	143,000	237,000
Total recognised gains and losses relating to the year	<u>(2,786,151)</u>	<u>(2,338,193)</u>

Note of historical cost profits and losses

	£	£
Reported loss on ordinary activities before taxation	(2,064,279)	(1,431,551)
Difference between an historical cost depreciation charge and the actual depreciation charge of the year calculated on the revalued amount	<u>52,684</u>	<u>70,501</u>
Historical cost loss on ordinary activities before taxation	<u>(2,011,595)</u>	<u>(1,361,050)</u>
Historical cost loss for the year retained after taxation, extraordinary items and dividends	<u>(2,223,274)</u>	<u>(1,728,534)</u>

GEO. ROBSON & CO. (CONVEYORS) LIMITED

BALANCE SHEETS

AS AT 29 JUNE 2015

	Notes	Group 2015 £	2014 £	Company 2015 £	2014 £
Fixed assets					
Tangible assets	8	4,510,908	4,685,375	4,388,359	4,552,373
Investments	9	-	-	112,299	112,299
		<u>4,510,908</u>	<u>4,685,375</u>	<u>4,500,658</u>	<u>4,664,672</u>
Current assets					
Stocks	10	1,494,839	968,599	1,187,028	379,254
Debtors	11	3,283,442	4,232,740	1,754,169	1,620,556
Investments	12	20,000	20,000	20,000	20,000
Cash at bank and in hand		1,576,602	3,667,805	1,572,851	3,616,326
		<u>6,374,883</u>	<u>8,889,144</u>	<u>4,534,048</u>	<u>5,636,136</u>
Creditors: amounts falling due within one year	13	(3,907,556)	(3,763,876)	(5,997,300)	(4,772,242)
		<u>2,467,327</u>	<u>5,125,268</u>	<u>(1,463,252)</u>	<u>863,894</u>
Net current assets					
		<u>2,467,327</u>	<u>5,125,268</u>	<u>(1,463,252)</u>	<u>863,894</u>
Total assets less current liabilities		6,978,235	9,810,643	3,037,406	5,528,566
Provisions for liabilities		-	(21,000)	-	-
Accruals and deferred income	14	(6,435)	(7,757)	(6,435)	(7,757)
		<u>6,971,800</u>	<u>9,781,886</u>	<u>3,030,971</u>	<u>5,520,809</u>
Retirement benefit obligations	15	(730,000)	(769,000)	(730,000)	(769,000)
		<u>6,241,800</u>	<u>9,012,886</u>	<u>2,300,971</u>	<u>4,751,809</u>
Capital and reserves					
Called up share capital	16	2,289,300	2,289,300	2,289,300	2,289,300
Revaluation reserve	17	1,746,305	1,757,117	1,746,305	1,757,117
Profit and loss account	17	2,206,195	4,966,469	(1,734,634)	705,392
		<u>6,241,800</u>	<u>9,012,886</u>	<u>2,300,971</u>	<u>4,751,809</u>
Shareholders' funds	18	<u>6,241,800</u>	<u>9,012,886</u>	<u>2,300,971</u>	<u>4,751,809</u>

Approved by the Board and authorised for issue on 18 March 2016

C. Robson

Mrs C Robson
Director

Company Registration No. 00379606

GEO. ROBSON & CO. (CONVEYORS) LIMITED

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 29 JUNE 2015

	£	2015 £	£	2014 £
Net cash outflow from operating activities		(2,077,030)		(6,838,352)
Returns on investments and servicing of finance				
Interest received	15,012		70,017	
Net cash inflow for returns on investments and servicing of finance		15,012		70,017
Capital expenditure				
Payments to acquire tangible assets	9,968		(195,712)	
Receipts from sales of tangible assets	13,500		27,849	
Net cash inflow/(outflow) for capital expenditure		23,468		(167,863)
Equity dividends paid		(68,679)		(217,484)
(Decrease)/increase in cash in the year		(2,107,229)		(7,153,682)
Financing				
Capital element of hire purchase contracts	-		(18,832)	
Net cash outflow from financing		-		(18,832)
Decrease in cash in the year		(2,107,229)		(7,172,514)

GEO. ROBSON & CO. (CONVEYORS) LIMITED

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 29 JUNE 2015

1 Reconciliation of operating loss to net cash outflow from operating activities		2015	2014
		£	£
Operating loss		(2,262,291)	(1,612,568)
Depreciation of tangible assets		190,312	233,458
Loss on disposal of tangible assets		2,558	24,625
(Increase)/decrease in stocks		(526,240)	677,185
Decrease/(increase) in debtors		949,298	(1,039,508)
Increase/(decrease) in creditors within one year		127,655	(4,659,383)
Movement on grant provision		(1,322)	(1,161)
Pension scheme non-cash movement		(557,000)	(461,000)
Net cash outflow from operating activities		(2,077,030)	(6,838,352)

2 Analysis of net (debt)/funds	30 June 2014	Cash flow	Other non-cash changes	29 June 2015
	£	£	£	£
Cash at bank and in hand	-	3,751	-	3,751
Liquid resources:				
Current asset investments	20,000	-	-	20,000
Bank deposits	3,667,805	(2,110,980)	-	1,556,825
Net funds/(debt)	3,687,805	(2,107,229)	-	1,580,576

3 Reconciliation of net cash flow to movement in net (debt)/funds		2015	2014
		£	£
Increase in cash in the year		3,751	-
Cash inflow from decrease in liquid resources		(2,110,980)	(7,172,514)
Cash (inflow)/outflow from (increase)/decrease in debt		-	18,832
Movement in net (debt)/funds in the year		(2,107,229)	(7,153,682)
Opening net funds		3,687,805	10,841,487
Closing net (debt)/funds		1,580,576	3,687,805

GEO. ROBSON & CO. (CONVEYORS) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 29 JUNE 2015

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings.

The year ended 29 June 2015 has been a difficult year for the company resulting in a loss of £2.2m, however, the board has addressed several key issues within the business including securing additional funding which is adequate for the forecasted requirements of the group. The company is projected to break even in the year to June 2016 and has laid the foundations for profitable and cash generative growth thereafter.

On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Basis of consolidation

The consolidated profit and loss account and balance sheet include the financial statements of the company and its subsidiary undertakings made up to 29 June 2015. The results of subsidiaries sold or acquired are included in the profit and loss account up to, or from the date control passes. Intra-group sales and profits are eliminated fully on consolidation.

1.4 Turnover

Turnover, excluding VAT and intercompany sales, represents the net amount receivable in respect of completed contracts.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Freehold land and buildings	2 - 10% straight line
Plant and machinery	20% reducing balance
Fixtures, fittings & equipment	20% reducing balance
Motor vehicles	25 % reducing balance

The part of the annual depreciation charge on revalued assets which relates to the revaluation surplus is transferred from the revaluation reserve to the profit and loss account.

1.6 Leasing

Operating lease rentals are charged to the profit and loss account as incurred.

1.7 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

Current asset investments are stated at the lower of cost and net realisable value.

GEO. ROBSON & CO. (CONVEYORS) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 29 JUNE 2015**

1 Accounting policies (Continued)

1.8 Stock and work in progress

Work in progress is valued at the lower of cost and net realisable value.

1.9 Long term contracts

Contracts in progress are valued at the lower of cost inclusive of appropriate overheads and estimated net realisable value. Provisions are made for any losses incurred or expected to be incurred on uncompleted contracts. Profit on long-term contracts is recognised provided the outcome can be assessed with reasonable certainty. Progress payments received are deducted from the value of work carried out, any excess being included with payments received on account.

1.10 Pensions

The Group operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

For defined benefit schemes, the pension costs are assessed using the projected unit credit method, the cost of providing pensions is charged to the profit and loss account so as to spread the regular costs over the service lives of employees. The pension obligation is measured at the present value of the estimated future cash flows using interest rates on government securities that have terms to maturity approximating the terms of the related liability.

When the benefits of a scheme are improved, past service costs is recognised as an expense on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits are already vested immediately, following the introduction of, or changes to, a defined benefit plan, the past service cost is recognised as an expense immediately.

1.11 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1.12 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

1.13 Government grants

Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets.

GEO. ROBSON & CO. (CONVEYORS) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 JUNE 2015

2 Segmental analysis by class of business

The analysis by class of business of the group's turnover is set out as below:

Turnover

	2015 £	2014 £
Class of business		
Specialist material handling plants	6,559,239	15,633,205
Steel fabrications	4,854,824	6,578,192
	<u>11,414,063</u>	<u>22,211,397</u>

3 Segmental analysis by geographical area

The analysis by geographical area of the group's turnover is set out as below:

	2015 £	2014 £
Geographical segment		
United Kingdom	8,869,505	21,253,468
Rest of Europe, the Middle East and Africa	1,035,844	145,043
Rest of the World	1,508,714	1,455,896
	<u>11,414,063</u>	<u>22,854,407</u>

4 Operating loss

	2015 £	2014 £
Operating loss is stated after charging:		
Depreciation of tangible assets	190,312	233,458
Loss on disposal of tangible assets	2,558	24,625
Loss on foreign exchange transactions	71,503	5,355
Operating lease rentals		
- Plant and machinery	11,003	3,995
Fees payable to the group's auditor for the audit of the group's annual accounts (company £21,000; 2014: £21,000)	32,850	32,000
and after crediting:		
Government grants	<u>1,322</u>	<u>1,505</u>

GEO. ROBSON & CO. (CONVEYORS) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 JUNE 2015

5	Taxation	2015 £	2014 £
	Domestic current year tax		
	Current tax charge	-	-
	Deferred tax charge/credit current year	(21,000)	21,000
	Decrease in pension provision	148,000	120,120
	Effect of decreased tax rate on pension provision	16,000	8,880
	Factors affecting the tax charge for the year		
	Loss on ordinary activities before taxation	(2,064,279)	(1,431,551)
	Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.00% (2014 - 21.00%)	(412,856)	(300,626)
	Effects of:		
	Non deductible expenses	8	(46)
	Depreciation in excess of capital allowances	25,411	19,269
	Tax losses carried forward/(used)	524,977	421,854
	Decrease in pension provision	(138,000)	(120,120)
	Other tax adjustments	460	(20,331)
		412,856	300,626
	Current tax charge	-	-

The group has estimated losses of £ 5,620,000 (2014 - £ 2,970,000) available for carry forward against future trading profits.

6 Loss for the financial year

As permitted by section 408 Companies Act 2006, the holding company's profit and loss account has not been included in these financial statements. The loss for the financial year is made up as follows:

	2015 £	2014 £
Holding company's loss for the financial year	(1,887,031)	(1,854,036)

GEO. ROBSON & CO. (CONVEYORS) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 JUNE 2015

7	Dividends	2015	2014
		£	£
	Ordinary special paid 15 January 2015	68,679	68,679
	Ordinary final paid 22 April 2014	-	148,805
		<hr/>	<hr/>
		68,679	217,484
		<hr/>	<hr/>

GEO. ROBSON & CO. (CONVEYORS) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 JUNE 2015

8 Tangible fixed assets Group

	Freehold land and buildings £	Plant and machinery £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost or valuation					
At 30 June 2014	4,200,000	1,430,394	808,580	410,418	6,849,392
Additions	7,391	789	23,724	-	31,904
Disposals	-	-	-	(47,643)	(47,643)
At 29 June 2015	4,207,391	1,431,183	832,304	362,775	6,833,653
Depreciation					
At 30 June 2014	-	1,325,257	603,124	235,637	2,164,018
On disposals	-	-	-	(31,585)	(31,585)
Charge for the year	84,136	20,953	45,543	39,680	190,312
At 29 June 2015	84,136	1,346,210	648,667	243,732	2,322,745
Net book value					
At 29 June 2015	4,123,255	84,973	183,637	119,043	4,510,908
At 29 June 2014	4,200,000	105,137	205,457	174,781	4,685,375

The group's freehold land and buildings were revalued as at 30 June 2015 on the basis of existing use by Fernie Greaves Limited, Chartered Surveyors.

Comparable historical cost for the land and buildings included at valuation:

	£
Cost	
At 30 June 2014	3,171,835
Additions	14,782
At 29 June 2015	3,186,617
Depreciation based on cost	
At 30 June 2014	1,775,068
Charge for the year	50,552
At 29 June 2015	1,825,620
Net book value	
At 29 June 2015	1,360,997
At 29 June 2014	917,729

GEO. ROBSON & CO. (CONVEYORS) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 JUNE 2015

Tangible fixed assets Company

	Freehold land and buildings	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost or valuation					
At 30 June 2014	4,200,000	539,002	575,832	312,558	5,627,392
Additions	7,391	-	3,000	-	10,391
Disposals	-	-	-	(47,643)	(47,643)
At 29 June 2015	4,207,391	539,002	578,832	264,915	5,590,140
Depreciation					
At 30 June 2014	-	516,798	394,671	163,551	1,075,020
On disposals	-	-	-	(31,585)	(31,585)
Charge for the year	84,136	4,441	36,532	33,237	158,346
At 29 June 2015	84,136	521,239	431,203	165,203	1,201,781
Net book value					
At 29 June 2015	4,123,255	17,763	147,629	99,712	4,388,359
At 29 June 2014	4,200,000	22,204	181,162	149,007	4,552,373

Comparable historical cost for the land and buildings included at valuation:

	£
Cost	
At 30 June 2014	2,096,960
Additions	7,391
At 29 June 2015	2,104,351
Depreciation based on cost	
At 30 June 2014	1,179,231
Charge for the year	31,464
At 29 June 2015	1,210,695
Net book value	
At 29 June 2015	893,656
At 29 June 2014	917,729

GEO. ROBSON & CO. (CONVEYORS) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 JUNE 2015

Tangible fixed assets

9 Fixed asset investments

Company

Shares in
group
undertakings
£

Cost or valuation

At 30 June 2014 & at 29 June 2015

112,299

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet.

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held	
		Class	%
Subsidiary undertakings			
R.J.D. Fabrications Limited	England	Ordinary	100

The principal activity of these undertakings for the last relevant financial year was as follows:

	Principal activity
R.J.D. Fabrications Limited	Steel fabrications

10 Stocks and work in progress

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Raw materials and work in progress	1,552,266	1,322,833	1,187,028	551,940
Payments on account	(57,427)	(354,234)	-	(172,686)
	<u>1,494,839</u>	<u>968,599</u>	<u>1,187,028</u>	<u>379,254</u>

GEO. ROBSON & CO. (CONVEYORS) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 JUNE 2015

11 Debtors

	Group 2015 £	2014 £	Company 2015 £	2014 £
Trade debtors	3,109,685	3,984,367	1,680,180	1,485,972
Prepayments and accrued income	173,757	248,373	73,989	134,584
	<u>3,283,442</u>	<u>4,232,740</u>	<u>1,754,169</u>	<u>1,620,556</u>

12 Current asset investments

	Group 2015 £	2014 £	Company 2015 £	2014 £
Investment bond	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>
Market value	<u>44,272</u>	<u>41,970</u>	<u>44,272</u>	<u>41,970</u>

13 Creditors : amounts falling due within one year

	Group 2015 £	2014 £	Company 2015 £	2014 £
Bank loans and overdrafts	16,026	-	-	-
Payments received on account	976,964	82,183	945,376	80,974
Trade creditors	2,322,565	2,968,539	1,646,198	1,762,995
Amounts owed to group undertakings	-	-	3,052,307	2,459,409
Taxes and social security costs	277,918	397,440	69,743	183,280
Accruals and deferred income	314,083	315,714	283,676	285,584
	<u>3,907,556</u>	<u>3,763,876</u>	<u>5,997,300</u>	<u>4,772,242</u>

GEO. ROBSON & CO. (CONVEYORS) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 JUNE 2015

14 Accruals and deferred income

Group and company	Government grants £
Balance at 30 June 2014	7,757
Amortisation in the year	(1,322)
	<hr/>
Balance at 29 June 2015	6,435
	<hr/> <hr/>

GEO. ROBSON & CO. (CONVEYORS) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 JUNE 2015

15 Pension and other post-retirement benefit commitments

Employee benefit obligations

The company operates a final salary defined benefit pension scheme - the Geo. Robson (Conveyors) Limited Retirement Benefits Scheme (the "Scheme"). Pension benefits are linked to the members' final pensionable salaries and service at their retirement (or date of leaving if earlier). The scheme is closed to new entrants.

The most recent formal actuarial valuation was carried out as at 30 June 2013. The results have been updated to 30 June 2015 by a qualified independent actuary.

The amounts recognised in the balance sheet are as follows:

	2015 £000	2014 £000
Market value of assets	12,051	11,281
Present value of liabilities	(12,964)	(12,254)
Deficit in the scheme	(913)	(973)
Related deferred tax asset	(183)	204
Net pension liability	(730)	(769)

The amounts recognised in profit or loss are as follows:

Current service cost	(109)	(163)
Interest on liabilities	(505)	(523)
Expected return on scheme assets	688	634
Net credit/(charge) to other finance income	183	111
Total charged to profit before taxation	74	(52)
Actual return on plan assets	656	588

The total amounts recognised in the statement of total recognised gains and losses are as follows:

Actuarial (loss)/gain relating to the year	(680)	(1,128)
Cumulative actuarial loss at 30 June	(4,556)	(3,876)

GEO. ROBSON & CO. (CONVEYORS) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 29 JUNE 2015

15 Pension costs (Continued)

Analysis of changes in value of the scheme liabilities over the year:

	2015 £000	2014 £000
Value of liabilities at start of year	12,254	11,121
Service cost	109	163
Interest cost	505	523
Member contributions	24	27
Benefits paid	(576)	(662)
Actuarial losses/(gains)	648	1,082
Value of liabilities at end of year	12,964	12,254

Analysis of changes in value of the scheme assets over the year:

Value of assets at start of year	11,281	10,704
Expected return on scheme assets	688	634
Actuarial (losses)/gains	(32)	(46)
Employer contributions	666	624
Member contributions	24	27
Benefits paid	(576)	(662)
Value of assets at end of year	12,051	11,281

The major categories of plan assets as a total of total plan assets is as follows:

Equities and property	64%	64%
Bonds	11%	11%
Cash	25%	25%

The principal financial and demographic assumptions at the balance sheet date are as follows:

Discount rate at 30 June	3.70%	4.20%
Retail Prices Index (RPI) inflation	3.20%	3.40%
Consumer Prices Index (CPI) inflation	2.20%	2.40%
Salary increases	3.20%	3.40%
Rate of increase to pensions in payment:		
- Accrued before 6 April 1997 (in excess of GMP)	-	-
- Accrued between 6 April 1997 and 5 April 2005	3.10%	3.30%
- Accrued after 5 April 2005	2.30%	2.40%
Rate of increase to deferred pensions	2.20%	2.40%
Expected return on assets	5.85%	6.07%

GEO. ROBSON & CO. (CONVEYORS) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 JUNE 2015

15 Pension costs (Continued)

		2015 Years	2014 Years
Life expectancy for a current 65 year old	Males	22.1	22.1
	Females	24.1	24.0
Life expectancy at age 65 for a current 45 year old	Males	23.4	23.4
	Females	25.6	25.5

Expected return on scheme assets

The overall expected return on assets assumption of 5.85% as at 30 June 2015 (quoted gross of expenses) has been derived by calculating the weighted average of the expected rate of return for each asset class. The following approach has been used to determine the expected rate of return for each asset class:

Fixed interest securities - current market yields

Equities and property - FTSE All-Share net dividend yield plus RPI inflation assumption plus 1% pa

Cash - return on gilts less 0.5% pa

Historical analysis

The history of assets, liabilities, and experience gains and losses for the current and previous four periods is as follows:

	2015 £000	2014 £000	2013 £000	2012 £000	2011 £000
Bid value of scheme assets	12,051	11,281	10,704	10,045	9,814
Value of scheme liabilities	12,964	12,254	11,121	11,508	9,923
Deficit in the scheme	(913)	(973)	(417)	(1,463)	(109)
Gains/(losses) arising on scheme liabilities:					
Due to experience	-	(331)	-	-	70
% of liabilities	-	(3%)	-	-	1%
Due to change of basis	(648)	(751)	167	(1,238)	28
% of liabilities	(5%)	(6%)	2%	(11%)	-
Experience gains/(losses):					
Arising on scheme assets	(32)	(46)	559	(462)	305
% of assets	(0%)	(0%)	5%	(5%)	3%

GEO. ROBSON & CO. (CONVEYORS) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 29 JUNE 2015

15 Pension costs (Continued)

Balance sheet reconciliation

	2015 £000	2014 £000
Gross balance sheet liability at 1 July	(973)	(417)
Pension expense recognised in the profit and loss account in the year	74	(52)
Amounts recognised in the statement of total recognised gains and losses in the year	(680)	(1,128)
Actual contributions made by the employer in the year	666	624
Gross balance sheet liability at 30 June	<u>(913)</u>	<u>(973)</u>

Future funding obligation

The Schedule of Contributions agreed with the Employer requires total contributions (including member contributions) of £50,000 per month from 1 October 2011 to 30 September 2014, and £60,000 per month from 1 October 2014 to 30 September 2019. All expenses, death in service premiums and all levies including those due to the PPF will be payable in addition. Accordingly, the Employer expects to pay £690,000 to the Scheme during the accounting year beginning 1 July 2015 plus death in service premiums and levies.

Defined contribution

The group operates defined contribution pension schemes for certain staff. The assets of the schemes are held separately from those of the group being invested with an insurance company. The pension cost charge represents contributions payable by the group to the schemes and amounted to £6,653 (2014 £135,373).

16 Share capital

	2015 £	2014 £
Allotted, called up and fully paid		
2,289,300 Ordinary shares of £1 each	<u>2,289,300</u>	<u>2,289,300</u>

GEO. ROBSON & CO. (CONVEYORS) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 JUNE 2015

17 Statement of movements on reserves Group

	Revaluation reserve £	Profit and loss account £
Balance at 30 June 2014	1,757,117	4,966,469
Loss for the year	-	(2,207,279)
Transfer from revaluation reserve to profit and loss account	(52,684)	52,684
Dividends paid	-	(68,679)
Revaluation during the year	41,872	-
Actuarial gains or losses on pension scheme assets	-	(680,000)
Movement on deferred tax relating to pension asset	-	143,000
Balance at 29 June 2015	<u>1,746,305</u>	<u>2,206,195</u>

Company

	Revaluation reserve £	Profit and loss account £
Balance at 30 June 2014	1,757,117	705,392
Loss for the year	-	(1,887,031)
Transfer from revaluation reserve to profit and loss account	(52,684)	52,684
Dividends paid	-	(68,679)
Revaluation during the year	41,872	-
Actuarial gains or losses on pension scheme assets	-	(680,000)
Movement on deferred tax relating to pension asset	-	143,000
Balance at 29 June 2015	<u>1,746,305</u>	<u>(1,734,634)</u>

GEO. ROBSON & CO. (CONVEYORS) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 JUNE 2015

18 Reconciliation of movements in shareholders' funds	2015	2014
Group	£	£
Loss for the financial year	(2,207,279)	(1,581,551)
Dividends	(68,679)	(217,484)
	(2,275,958)	(1,799,035)
Revaluation during the year	41,872	(134,358)
Actuarial (loss)/gain on pension scheme	(680,000)	(1,128,000)
Movement on deferred tax relating to pension asset	143,000	237,000
	(2,771,086)	(2,824,393)
Net depletion in shareholders' funds	(2,771,086)	(2,824,393)
Opening shareholders' funds	9,012,886	11,837,279
	6,241,800	9,012,886
Closing shareholders' funds	6,241,800	9,012,886
	2015	2014
Company	£	£
Loss for the financial year	(1,887,031)	(1,854,036)
Dividends	(68,679)	(217,484)
	(1,955,710)	(2,071,520)
Revaluation during the year	41,872	(134,358)
Actuarial (loss)/gain on pension scheme	(680,000)	(1,128,000)
Movement on deferred tax relating to pension asset	143,000	237,000
	(2,450,838)	(3,096,878)
Net depletion in shareholders' funds	(2,450,838)	(3,096,878)
Opening shareholders' funds	4,751,809	7,848,687
	2,300,971	4,751,809
Closing shareholders' funds	2,300,971	4,751,809

19 Contingent liabilities

Group and company

At 30 June 2015 there were contingent liabilities in respect of advance payment guarantees and performance bonds totalling £2,585,365 (2014 £2,511,143).

GEO. ROBSON & CO. (CONVEYORS) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 29 JUNE 2015**

20 Financial commitments

At 29 June 2015 the group had annual commitments under non-cancellable operating leases as follows:

	Other 2015	2014
	£	£
Expiry date:		
Between two and five years	15,381	9,149

At 29 June 2015 the company had annual commitments under non-cancellable operating leases as follows:

	Other 2015	2014
	£	£
Expiry date:		
Between two and five years	9,710	3,478

21 Directors' emoluments

	2015	2014
	£	£
Emoluments for qualifying services	408,846	390,053
Company pension contributions to money purchase schemes	6,653	135,373
	415,499	525,426

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 2 (2014- 2).

The number of directors for whom retirement benefits are accruing under defined benefit schemes amounted to 2 (2014- 2).

Emoluments disclosed above include the following amounts paid to the highest paid director:

Emoluments for qualifying services	88,845	86,435
Company pension contributions to money purchase schemes	3,141	133,141

GEO. ROBSON & CO. (CONVEYORS) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 JUNE 2015

22 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2015 Number	2014 Number
Production and sales	128	152
Office and management	34	34
	<u>162</u>	<u>186</u>

Employment costs

	2015 £	2014 £
Wages and salaries	5,300,693	5,818,172
Social security costs	435,425	613,610
Other pension costs	209,789	318,789
	<u>5,945,907</u>	<u>6,750,571</u>

23 Related party relationships and transactions

Group and company

Dividends totalling £25,608 (2014:£81,094) were paid during the year to certain directors and their close family members.