

COMPANY REGISTRATION NUMBER: SC038450

**A & J ROBERTSON (GRANITE) LIMITED**

**CONSOLIDATED  
FINANCIAL STATEMENTS**

**31st DECEMBER 2020**



**A9 BOWER + SMITH LIMITED**

Chartered Accountants & Statutory Auditor  
6 Rubislaw Place  
Aberdeen  
AB10 1XN

# **A & J ROBERTSON (GRANITE) LIMITED**

## **CONSOLIDATED FINANCIAL STATEMENTS**

**YEAR ENDED 31st DECEMBER 2020**

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# **A & J ROBERTSON (GRANITE) LIMITED**

## **CONSOLIDATED FINANCIAL STATEMENTS**

**YEAR ENDED 31st DECEMBER 2020**

### **NOTICE OF MEETING**

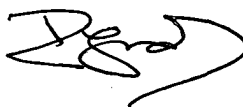
Notice is hereby given that the Annual General Meeting of the company will be held at Silvertrees Drive, Westhill, Aberdeen AB32 6BH on Friday 17th September 2021 at 11 a.m. to transact the following business :-

1. To receive and consider the Report of the Directors' and the audited financial statements for the year ended 31st December 2020 together with the Auditors Report thereon.
2. To re-appoint Auditors.
3. To transact any other competent business.

Registered office:

Robertson Granite  
Silvertrees Drive  
Westhill  
Aberdeen  
AB32 6BH

By order of the board



Raymond A Garden  
Company secretary

3rd September 2021

#### **Note:**

A shareholder entitled to attend and vote at the meeting may appoint one or more proxies to attend and, on a poll, vote on his behalf. A proxy need not be a member of the company.

# **A & J ROBERTSON (GRANITE) LIMITED**

## **OFFICERS AND PROFESSIONAL ADVISERS**

### **The Board of Directors**

Graeme D Robertson  
Raymond A Garden  
Stewart G Gibson  
Neil DK Robertson

### **Company Secretary**

Raymond A Garden

### **Registered Office**

Robertson Granite  
Silvertrees Drive  
Westhill  
Aberdeen  
AB32 6BH

### **Auditor**

A9 Bower + Smith Limited  
Chartered Accountants & Statutory Auditor  
6 Rubislaw Place  
Aberdeen  
AB10 1XN

### **Bankers**

Clydesdale Bank plc  
62 Union Street  
Aberdeen  
AB10 1WD

### **Solicitors**

Burness Paull  
Union Plaza  
1 Union Wynd  
Aberdeen  
AB10 1DQ

# **A & J ROBERTSON (GRANITE) LIMITED**

## **STRATEGIC REPORT**

**YEAR ENDED 31st DECEMBER 2020**

The Directors present their strategic report of the group for the year ended 31st December 2020.

### **BUSINESS REVIEW**

The principal activity of the Group comprises the manufacture and sale of memorials and other products in granite, stone, slate, marble, fireplaces and stoves. There have not been any significant changes in the Group's principal activities in the year under review.

The Group made a loss after taxation of £174,610 for the year, compared to a loss after taxation of £460,614 for the previous year.

The Directors are disappointed with the results for 2020 which were as a consequence of a failure to achieve budgeted sales exacerbated by the effects of the global coronavirus pandemic.

The investment in Baldarroch Crematorium at Crathes near Aberdeen continues to be successful and it is hoped that a similar investment in Brewsterwells Crematorium will prove similarly successful after it opens in winter 2021.

### **PRINCIPAL RISKS AND UNCERTAINTIES**

The main risks to the business are that, firstly, the death rate in the UK reverts to its previous decline following the surge in the death rate as a result of the Covid-19 pandemic; secondly, that there is a continued growth in cremation at the expense of burials, resulting in fewer memorials and, lastly, the decline in the economies of Aberdeen and Aberdeenshire, as a consequence of a fall in energy prices, reduces the demand for sales from the Group's fireplace and stove shops. The continued growth in cremations will benefit our investments in crematoria.

### **PERFORMANCE INDICATORS**

Sales were down by 15% of the previous year due to disruption caused by the Covid 19 pandemic. Gross margins reduced slightly from 54% to 53%. The group did receive £655,427 in government retail business grants and employment support grants, however, this was not sufficient to prevent a loss for the year of £215,129 before tax. This was an improvement compared to previous year where losses before tax were £544,407.

The net assets of the Group reduced to £9,773,373 from £9,947,983 during the year mostly as a result of the loss before taxation.

### **POST BALANCE SHEET EVENTS**

In common with most businesses, the company and group has been affected by the outbreak of Covid-19 which occurred in 2020 and continued throughout 2021 which severely disrupted trade. To the 30th June 2021, the group received business support grants of £267,130 and employment support grants of £68,725. In the first quarter of the year to 31st December 2021, there were restrictions on retail operations due to Covid-19. The retail sector was not permitted to receive members of the public inside the premises until 12th April 2021 in England and 26th April 2021 in Scotland. Inverurie Fireplace Centre, one of the Group's Fireplace and Stove shops closed on 25th August 2021.

### **FUTURE DEVELOPMENTS**

Following the move to custom built premises at Westhill, the Group hopes to consolidate its trading by increasing its trade and retail memorial sector as well as the fireplace retail sector. The Group's investment in Brewsterwells Crematorium will see the completion and opening of the crematorium in December 2021.

### **ENVIRONMENT**

The Group recognises the importance of environmental responsibilities, monitors its impact on the environment and designs and implements policies to reduce any damage that might be caused by the Group's impact on the environment, including safe disposal of manufacturing waste, recycling and reducing energy consumption. All of this being reflected in the appointment of an environmental officer and an application to join the Ethical Stone Register.

# **A & J ROBERTSON (GRANITE) LIMITED**

## **STRATEGIC REPORT *(continued)***

**YEAR ENDED 31st DECEMBER 2020**

### **EMPLOYEES**

Details of the number of employees and related costs can be found in Note 8 to the Financial Statements on page 23. Effort is made by the Group to regularly consult employees through updates by email and staff council meetings on matters of concern in order that their views may be taken into account when making decisions which affect them. The Directors recognise the support of all employees during the year and are grateful for their loyalty.

### **REGISTERED OFFICE**

Robertson Granite  
Silvertrees Drive  
Westhill  
Aberdeen  
AB32 6BH

This report was approved by the board of directors on 25th August 2021 and signed on behalf of the board by:



Raymond A Garden  
Company Secretary

Registered office:  
Robertson Granite  
Silvertrees Drive  
Westhill  
Aberdeen  
AB32 6BH

# **A & J ROBERTSON (GRANITE) LIMITED**

## **DIRECTORS' REPORT**

**YEAR ENDED 31st DECEMBER 2020**

The directors present their report and the consolidated financial statements of the group for the year ended 31st December 2020.

### **DIRECTORS**

The directors who served the company during the year were as follows:

Graeme D Robertson  
Raymond A Garden  
Stewart G Gibson  
Neil DK Robertson

### **DIVIDENDS**

Dividends of £nil (2019 - £100,000) were paid during the year ended 31st December 2020. The Directors do not recommend payment of further dividends for the year ended 31st December 2020.

### **FUTURE DEVELOPMENTS**

This is dealt with in the Strategic Report.

### **POST BALANCE SHEET EVENTS**

This is dealt with in the Strategic Report.

### **DISCLOSURE OF INFORMATION IN THE STRATEGIC REPORT**

The Directors present their Strategic Report of the Company for the year ended 31st December 2020 on page 3 in accordance with S.414 (11) CA 2006.

### **DIRECTORS' RESPONSIBILITIES STATEMENT**

The directors are responsible for preparing the strategic report, directors' report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare consolidated financial statements for each financial year. Under that law the directors have elected to prepare the consolidated 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 consolidated financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the company and the profit or loss of the group for that period.

In preparing these consolidated financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the 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 consolidated financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# A & J ROBERTSON (GRANITE) LIMITED

## DIRECTORS' REPORT *(continued)*

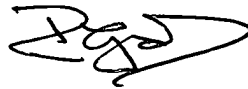
YEAR ENDED 31st DECEMBER 2020

### AUDITOR

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the group and the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the group and the company's auditor is aware of that information.

This report was approved by the board of directors on 25th August 2021 and signed on behalf of the board by:



Raymond A Garden  
Company Secretary

Registered office:  
Robertson Granite  
Silvertrees Drive  
Westhill  
Aberdeen  
AB32 6BH

**A & J ROBERTSON (GRANITE) LIMITED**  
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF**  
**A & J ROBERTSON (GRANITE) LIMITED**  
**YEAR ENDED 31st DECEMBER 2020**

**OPINION**

We have audited the consolidated financial statements of A & J Robertson (Granite) Limited (the 'parent company') and its subsidiary (the 'group') for the year ended 31st December 2020 which comprise the consolidated profit and loss account, consolidated balance sheet, company balance sheet, consolidated statement of changes in equity, company statement of changes in equity, consolidated statement of cash flows and the related notes, including a summary of 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 consolidated financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31st December 2020 and of the group's loss 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 consolidated financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the consolidated 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 in 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 A&J Robertson (Granite) Limited and its subsidiary's ability to continue as going concerns 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.

# **A & J ROBERTSON (GRANITE) LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF A & J ROBERTSON (GRANITE) LIMITED *(continued)***

**YEAR ENDED 31st DECEMBER 2020**

### **OTHER INFORMATION**

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

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

We have nothing to report in this regard.

### **OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 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 consolidated financial statements are prepared is consistent with the consolidated 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 its 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 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, 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 the returns; or
- certain disclosures of directors remuneration specified by law are not made; or
- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit.

# **A & J ROBERTSON (GRANITE) LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF A & J ROBERTSON (GRANITE) LIMITED *(continued)***

**YEAR ENDED 31st DECEMBER 2020**

### **RESPONSIBILITIES OF DIRECTORS**

As explained more fully in the directors' responsibilities statement, 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated 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 CONSOLIDATED 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks applicable to the company and group and the sector in which it operates. We determined that the following laws and regulations were most significant: the Companies Act 2006 and UK corporate taxation laws.
- We obtained an understanding of how the company and group is complying with those legal and regulatory frameworks by making enquiries to the management. We corroborated our enquiries through our review of board minutes and other papers.
- We assessed the susceptibility of the company and group's financial statements to material misstatement, including how fraud might occur. Audit procedures performed included:
  - identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
  - understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
  - challenging assumptions and judgements made by management in its significant accounting estimates;
  - identifying and testing journal entries; and
  - assessing the extent of compliance with the relevant laws and regulations.

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

# **A & J ROBERTSON (GRANITE) LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF A & J ROBERTSON (GRANITE) LIMITED *(continued)***

**YEAR ENDED 31st DECEMBER 2020**

### **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 DUNCAN (Senior Statutory Auditor)**

For and on behalf of  
A9 Bower + Smith Limited  
Chartered Accountants & Statutory Auditor

6 Rubislaw Place  
Aberdeen  
AB10 1XN

3rd September 2021

# A & J ROBERTSON (GRANITE) LIMITED

## CONSOLIDATED PROFIT AND LOSS ACCOUNT

YEAR ENDED 31st DECEMBER 2020

	Note	2020 £	2019 £
<b>TURNOVER</b>	<b>4</b>	<b>4,364,065</b>	5,124,561
Change in stocks of finished goods and in work in progress		(35,279)	5,341
Other operating income	<b>5</b>	<b>749,696</b>	82,725
		<b>5,078,482</b>	5,212,627
Raw material and consumables		<b>1,735,175</b>	2,012,945
Direct costs		<b>284,154</b>	349,675
Staff costs	<b>8</b>	<b>2,185,983</b>	2,178,706
Depreciation written off tangible assets		<b>247,017</b>	237,305
Other operating expenses		<b>870,935</b>	1,028,211
<b>OPERATING LOSS</b>	<b>6</b>	<b>(245,782)</b>	(594,215)
Gain on disposal of fixed assets		<b>289</b>	800
Share of profit/(loss) of associated undertakings		<b>67,708</b>	30,932
Exceptional item	<b>10</b>	<b>(47,562)</b>	–
Interest payable	<b>11</b>	<b>(636)</b>	–
Interest receivable		<b>10,854</b>	18,076
<b>LOSS BEFORE TAXATION</b>		<b>(215,129)</b>	(544,407)
Tax on loss	<b>12</b>	<b>(40,519)</b>	(83,793)
<b>LOSS FOR THE FINANCIAL YEAR AND TOTAL COMPREHENSIVE INCOME</b>		<b>(174,610)</b>	(460,614)

All the activities of the group are from continuing operations.

The loss for the financial year of the parent company was £174,610 (2019 - £460,614).

The notes on pages 17 to 34 form part of these consolidated financial statements.

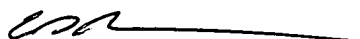
# A & J ROBERTSON (GRANITE) LIMITED

## CONSOLIDATED BALANCE SHEET

31st DECEMBER 2020

	Note	2020 £	2019 £
<b>FIXED ASSETS</b>			
Tangible assets	14	8,565,418	8,737,267
Investments	15	648,814	396,106
		<u>9,214,232</u>	<u>9,133,373</u>
<b>CURRENT ASSETS</b>			
Stocks	16	580,932	673,074
Debtors	17	648,440	483,414
Cash at bank and in hand		2,069,486	2,020,277
		<u>3,298,858</u>	<u>3,176,765</u>
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	18	1,593,789	1,185,158
<b>NET CURRENT ASSETS</b>		<u>1,705,069</u>	<u>1,991,607</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>10,919,301</u>	<u>11,124,980</u>
<b>CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</b>	19	(9,450)	—
<b>PROVISIONS</b>			
Deferred taxation	20	(1,136,478)	(1,176,997)
<b>NET ASSETS</b>		<u>9,773,373</u>	<u>9,947,983</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	25	200,000	200,000
Revaluation reserve	26	858,183	858,183
Capital redemption reserve	26	30,000	30,000
Profit and loss account	26	8,685,190	8,859,800
<b>MEMBERS FUNDS</b>		<u>9,773,373</u>	<u>9,947,983</u>

These consolidated financial statements were approved by the board of directors and authorised for issue on 25th August 2021, and are signed on behalf of the board by:



Graeme D Robertson  
Chairman

Company registration number: SC038450

The notes on pages 17 to 34 form part of these consolidated financial statements.

# A & J ROBERTSON (GRANITE) LIMITED

## COMPANY BALANCE SHEET

31st DECEMBER 2020

	Note	2020 £	2019 £
<b>FIXED ASSETS</b>			
Tangible assets	14	7,747,002	7,918,851
Investments	15	1,048,350	795,642
		<u>8,795,352</u>	<u>8,714,493</u>
<b>CURRENT ASSETS</b>			
Stocks	16	580,932	673,074
Debtors	17	737,319	572,293
Cash at bank and in hand		2,069,486	2,020,277
		<u>3,387,737</u>	<u>3,265,644</u>
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	18	1,593,788	1,185,157
<b>NET CURRENT ASSETS</b>		<u>1,793,949</u>	<u>2,080,487</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>10,589,301</u>	<u>10,794,980</u>
<b>CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</b>	19	(9,450)	–
<b>PROVISIONS</b>			
Deferred taxation	20	(1,130,804)	(1,171,323)
<b>NET ASSETS</b>		<u>9,449,047</u>	<u>9,623,657</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	25	200,000	200,000
Revaluation reserve	26	831,106	831,106
Capital redemption reserve	26	30,000	30,000
Profit and loss account	26	8,387,941	8,562,551
<b>MEMBERS FUNDS</b>		<u>9,449,047</u>	<u>9,623,657</u>

These financial statements were approved by the board of directors and authorised for issue on 25th August 2021, and are signed on behalf of the board by:



Graeme D Robertson  
Chairman

Company registration number: SC038450

The notes on pages 17 to 34 form part of these consolidated financial statements.

# A & J ROBERTSON (GRANITE) LIMITED

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

YEAR ENDED 31st DECEMBER 2020

	Called up share capital £	Revaluation reserve £	Capital redemption reserve £	Profit and loss account £	Total £
<b>AT 1st JANUARY 2019</b>	200,000	858,183	30,000	9,420,414	10,508,597
Loss for the year	—	—	—	(460,614)	(460,614)
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	—	—	—	(460,614)	(460,614)
Dividends paid and payable <b>13</b>	—	—	—	(100,000)	(100,000)
<b>TOTAL INVESTMENTS BY AND DISTRIBUTIONS TO OWNERS</b>	—	—	—	(100,000)	(100,000)
<b>AT 31st DECEMBER 2019</b>	200,000	858,183	30,000	8,859,800	<b>9,947,983</b>
Loss for the year	—	—	—	(174,610)	(174,610)
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	—	—	—	(174,610)	(174,610)
<b>AT 31st DECEMBER 2020</b>	<u>200,000</u>	<u>858,183</u>	<u>30,000</u>	<u>8,685,190</u>	<u><b>9,773,373</b></u>

The notes on pages 17 to 34 form part of these consolidated financial statements.

# A & J ROBERTSON (GRANITE) LIMITED

## COMPANY STATEMENT OF CHANGES IN EQUITY

YEAR ENDED 31st DECEMBER 2020

	Called up share capital £	Revaluation reserve £	Capital redemption reserve £	Profit and loss account £	Total £
<b>AT 1st JANUARY 2019</b>	200,000	831,106	30,000	9,123,165	10,184,271
Loss for the year	—	—	—	(460,614)	(460,614)
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	—	—	—	(460,614)	(460,614)
Dividends paid and payable <b>13</b>	—	—	—	(100,000)	(100,000)
<b>TOTAL INVESTMENTS BY AND DISTRIBUTIONS TO OWNERS</b>	—	—	—	(100,000)	(100,000)
<b>AT 31st DECEMBER 2019</b>	200,000	831,106	30,000	8,562,551	<b>9,623,657</b>
Loss for the year	—	—	—	(174,610)	(174,610)
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	—	—	—	(174,610)	(174,610)
<b>AT 31st DECEMBER 2020</b>	<u>200,000</u>	<u>831,106</u>	<u>30,000</u>	<u>8,387,941</u>	<u><b>9,449,047</b></u>

The notes on pages 17 to 34 form part of these consolidated financial statements.

# A & J ROBERTSON (GRANITE) LIMITED

## CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED 31st DECEMBER 2020

	2020 £	2019 £
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss for the financial year	(174,610)	(460,614)
<i>Adjustments for:</i>		
Depreciation of tangible assets	247,017	237,305
Gain on disposal of fixed assets	(289)	(800)
Share of (profit)/loss of associated undertakings	(67,708)	(30,932)
Government grant income	(655,427)	—
Interest receivable	(10,854)	(18,076)
Interest payable	636	—
Tax on loss	(40,519)	(83,793)
Accrued expenses/(income)	53,857	(104,581)
<i>Changes in:</i>		
Stocks	92,142	(52,297)
Trade and other debtors	(165,026)	20,757
Trade and other creditors	364,224	82,656
Cash generated from operations	(356,557)	(410,375)
Interest paid	(636)	—
Interest received	10,854	18,076
Government grant income	655,427	—
Net cash used in operating activities	<u>665,645</u>	<u>18,076</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of tangible assets	(76,486)	(148,813)
Proceeds from sale of tangible assets	1,607	25,794
Associate repayment of loan	—	28,570
Acquisition of interests in associates	(185,000)	(115,000)
Net cash used in investing activities	<u>(259,879)</u>	<u>(209,449)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividends paid	—	(100,000)
Net cash from/(used in) financing activities	<u>—</u>	<u>(100,000)</u>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>49,209</b>	<b>(701,748)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>2,020,277</b>	<b>2,722,025</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b><u>2,069,486</u></b>	<b><u>2,020,277</u></b>

The notes on pages 17 to 34 form part of these consolidated financial statements.

# **A & J ROBERTSON (GRANITE) LIMITED**

## **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**YEAR ENDED 31st DECEMBER 2020**

### **1. GENERAL INFORMATION**

A&J Robertson (Granite) Limited, the subsidiary company and the associated undertaking companies are limited by shares. The company, the subsidiary and the associates were incorporated in the UK and the registered office of the company is Robertson Granite, Silvertrees Drive, Westhill, Aberdeen, AB32 6BH.

### **2. STATEMENT OF COMPLIANCE**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' and the Companies Act 2006.

### **3. ACCOUNTING POLICIES**

#### **Basis of Preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities measured at fair value through profit and loss account.

The functional currency of A&J Robertson (Granite) Limited and its subsidiary and associated undertakings is considered to be pound sterling because that is the currency of the primary economic environment in which they operate.

#### **Going Concern**

These financial statements have been prepared on a going concern basis.

The current economic conditions, given the uncertainties about the impact of Covid-19, present increased risks for all businesses. In response to these conditions the directors have carefully considered the risks including an assessment of uncertainty on future trading projection for a period of at least 12 months from the date of signing the financial statements and the extent to which they might affect the preparation of the financial statements on a going concern basis.

Based on this assessment the directors consider that the group maintains an appropriate level of liquidity sufficient to meet the demands of the business. In addition, the group's assets are assessed for recoverability on a regular basis and the directors consider that the group is not exposed to losses on these assets which would affect their decision to adopt the going concern basis.

The company has a strong order book, no borrowing and a strong balance sheet and cash reserves. The associate Baldarrach Crematorium Limited has continued to perform well. A new crematorium is under construction and planned to open at the end of 2021 which is expected to be another success.

The directors have a reasonable expectation that the group has resources to continue in operational existence for the foreseeable future and there are no material uncertainties that lead to significant doubt upon the group's ability to continue as a going concern. Therefore, the directors have continued to adopt the going concern basis of accounting in preparing these financial statements.

# **A & J ROBERTSON (GRANITE) LIMITED**

## **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)***

**YEAR ENDED 31st DECEMBER 2020**

### **3. ACCOUNTING POLICIES *(continued)***

#### **Disclosure Exemptions**

The parent company satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following reduced disclosures available under FRS 102:

- (a) No cash flow statement has been presented for the company.
- (b) Disclosures in respect of financial instruments have not been presented for the company.
- (c) No disclosure has been given for the aggregate remuneration of key management personnel for the company.

#### **Consolidation**

The financial statements consolidate the financial statements of A & J Robertson (Granite) Limited and its subsidiary undertaking. The results of subsidiaries acquired or disposed of during the year are included from or to the date that control passes. The parent company has applied the exemption contained in section 408(3) of the Companies Act 2006 and has not included its individual profit and loss account. The consolidated financial statements also include the group share of the results of both associates.

Baldarroch Crematorium Limited and Brewsterwells Crematorium Limited are associated undertakings. An associate is an entity, being neither a subsidiary nor a joint venture, in which the group holds a long term interest and where the group has significant influence. The group considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate. The results of associates are accounted for using the equity method of accounting.

Intra-group transactions, balances, income and expenditure have been eliminated on consolidation. Adjustments have been made to eliminate the profit or loss arising on transactions with associates to the extent of the group's interest in the entity.

#### **Judgements and Key Sources of Estimation Uncertainty**

In preparing the financial statements, management is required to make estimates and assumptions which affect reported income, expenses, assets, liabilities and disclosure of contingent assets and liabilities. Use of available information and application of judgement are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

The areas where judgement and estimation are used are in calculating bad debt provision, stock provision, rates used for the depreciation of tangible assets and fair value of investment property.

# **A & J ROBERTSON (GRANITE) LIMITED**

## **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)***

**YEAR ENDED 31st DECEMBER 2020**

### **3. ACCOUNTING POLICIES *(continued)***

#### **Revenue Recognition**

The turnover shown in the profit and loss account represents amounts invoiced for work done during the year, exclusive of Value Added Tax, subject to adjustments for accrued and deferred income.

Turnover of goods is recognised when the ownership of the goods have been passed to the customer.

Revenue from work done is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

#### **Taxation**

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference. Deferred tax relating to property using the revaluation model is measured using tax rates and allowances that apply to sale of the asset.

#### **Operating Leases**

Rentals under operating leases are charged on a straight line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight line basis over the lease term.

#### **Rental Income**

The lease agreements of properties where the company retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases is recognised in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred by the company in negotiating and arranging operating leases are immediately recognised as an expense in profit or loss.

# A & J ROBERTSON (GRANITE) LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31st DECEMBER 2020

### 3. ACCOUNTING POLICIES *(continued)*

#### Exceptional Items

Exceptional items are unusually large and uncommon transactions that require separate disclosure in order to separate normal business transactions from unusual ones. Such disclosure is considered necessary to present a better understanding of the years trading results.

#### Tangible Assets

##### Land & Buildings

All land and buildings are initially recorded at cost (or deemed cost).

##### Other Fixed Assets

All other fixed assets are initially recorded at cost.

#### Depreciation

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost or deemed cost, less estimated residual value, of each asset over its expected useful life, as follows:

Freehold property	-	Straight line over periods varying between 20 and 50 years
Short leasehold property	-	Straight line over period of the lease
Plant and machinery	-	Straight line over periods varying between two to twenty years
Office furniture and equipment	-	Straight line over periods varying between two to ten years
Motor vehicles	-	Straight line over periods varying between three to five years

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

The directors reviewed and revised their accounting estimates with regard to the useful lives and residual values of each of the company's freehold buildings as at 31st December 2020. The directors will continue to reassess their accounting estimates with regard to the useful lives and residual values of each of the company's freehold buildings on an annual basis.

#### Investment Property

Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised in profit or loss.

#### Investments

In the company balance sheet, investment in subsidiary is measured at cost less impairment and investments in associates are measured at fair value with any changes recognised in the profit and loss account.

In the consolidated financial statements, investments in associates are measured at fair value with any changes recognised in the profit and loss account.

# **A & J ROBERTSON (GRANITE) LIMITED**

## **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)***

**YEAR ENDED 31st DECEMBER 2020**

### **3. ACCOUNTING POLICIES *(continued)***

#### **Impairment of Fixed Assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs.

#### **Stock and Work in Progress**

Stocks are valued at the lower of cost and estimated selling price less costs to complete and sell. Allowance is made for obsolete and slowing moving items.

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress. The cost of finished goods and work-in-progress comprises raw materials, direct labour, other direct costs and related production overheads.

#### **Cash and Cash Equivalent**

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand, deposits with financial institutions.

#### **Government Grants**

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received. Government grants are recognised using the accrual model. Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate.

#### **Pension Funding**

The company operates a defined benefit pension scheme under which the Trustees have ceased the accrual of benefits. Payments to this scheme have been made in accordance with actuarial advice and the scheme is now fully funded. The company operates a defined contribution pension scheme. The assets of this scheme are held separately from those of the Company, being invested with an insurance company. The pension cost charge for the year represents the amounts payable in respect of the year covered by these financial statements. Information on pension funding is included in note 22 to the financial statements.

#### **Foreign Currencies**

Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities are translated at the sterling exchange rate prevailing at the balance sheet date.

# A & J ROBERTSON (GRANITE) LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31st DECEMBER 2020

### 3. ACCOUNTING POLICIES *(continued)*

#### Provisions

Provisions are recognised when the group has a present legal or constructive obligation at the reporting date as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount of the obligation can be estimated reliably.

#### Financial Instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liability.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit and loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

### 4. TURNOVER

Turnover arises from:

	2020	2019
	£	£
Sale of goods	3,260,041	3,767,759
Rendering of services	1,104,024	1,356,802
	<u>4,364,065</u>	<u>5,124,561</u>

The whole of the turnover is attributable to the principal activity of the group wholly undertaken in the United Kingdom.

### 5. OTHER OPERATING INCOME

	2020	2019
	£	£
Rental income	88,269	82,725
Management charges receivable	6,000	—
Government grant income	393,724	—
Government employment support grants	261,703	—
	<u>749,696</u>	<u>82,725</u>

# A & J ROBERTSON (GRANITE) LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31st DECEMBER 2020

### 6. OPERATING LOSS

Operating loss is stated after charging:

	2020 £	2019 £
Operating lease costs	103,399	100,656
Defined contribution pension scheme costs	119,476	140,584
Defined benefit pension scheme costs	20,015	20,721
Depreciation of owned fixed assets	<u>247,017</u>	<u>237,305</u>

### 7. AUDITOR'S REMUNERATION

	2020 £	2019 £
Fees payable to the company's auditor:		
Audit-related assurance services	<u>11,000</u>	<u>10,600</u>

### 8. STAFF COSTS

The average number of persons employed by the group during the year, including the directors, amounted to:

	2020 No.	2019 No.
Production staff	23	23
Number of management, administration and sales staff	69	69
	<u>92</u>	<u>92</u>

The aggregate payroll costs incurred during the year, relating to the above, were:

	2020 £	2019 £
Wages and salaries	1,905,697	1,877,904
Social security costs	159,218	158,651
Other pension costs	121,068	142,151
	<u>2,185,983</u>	<u>2,178,706</u>

### 9. DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services was:

	2020 £	2019 £
Remuneration	281,542	293,270
Company contributions to defined contribution pension plans	43,557	61,697
	<u>325,099</u>	<u>354,967</u>

The number of directors who accrued benefits under company pension plans was as follows:

	2020 No.	2019 No.
Defined contribution plans	<u>3</u>	<u>3</u>

# A & J ROBERTSON (GRANITE) LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31st DECEMBER 2020

### 9. DIRECTORS' REMUNERATION *(continued)*

Remuneration of the highest paid director in respect of qualifying services:

	2020 £	2019 £
Aggregate remuneration	94,057	98,456
Company contributions to defined contribution pension plans	25,341	42,672
	<u>119,398</u>	<u>141,128</u>

One director (2019 - one) have accrued benefits under the Group's Defined Benefit Pension Scheme and three directors (2019 - three) are accruing benefits under the Group's Money Purchase Pension Scheme.

The directors are the only employees that are considered key management personnel.

### 10. EXCEPTIONAL ITEMS

	Group		Company	
	2020 £	2019 £	2020 £	2019 £
Fraud	<u>47,562</u>	<u>—</u>	<u>47,562</u>	<u>—</u>

During the year ended 31st December 2020, an employee fraud resulted in this loss to the company.

### 11. INTEREST PAYABLE

	2020 £	2019 £
Other interest payable	<u>636</u>	<u>—</u>

### 12. TAX ON LOSS

Major components of tax income

	2020 £	2019 £
Deferred tax:		
Origination and reversal of timing differences	(40,519)	(83,793)
Tax on loss	<u>(40,519)</u>	<u>(83,793)</u>

# A & J ROBERTSON (GRANITE) LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

YEAR ENDED 31st DECEMBER 2020

### 12. TAX ON LOSS (continued)

#### Reconciliation of tax income

The tax assessed on the loss on ordinary activities for the year is higher than (2019: higher than) the standard rate of corporation tax in the UK of 19% (2019: 19%).

	2020 £	2019 £
Loss on ordinary activities before taxation	(215,129)	(544,407)
Loss on ordinary activities by rate of tax	(40,875)	(103,437)
Effect of expenses not deductible for tax purposes	18,479	20,043
Share of profit from associate	(12,857)	(6,311)
Effect of capital allowances and depreciation	(11,406)	(26,208)
Unused tax losses	40,666	115,913
Deferred tax	(40,519)	(83,793)
Tax on loss	(40,519)	(83,793)

#### Factors that may affect future tax income

Based on current capital investment plans, the group expects to claim capital allowances at a similar level to depreciation in future years.

### 13. DIVIDENDS

Dividends paid during the year (excluding those for which a liability existed at the end of the prior year):

	2020 £	2019 £
Dividends on equity shares	–	100,000

### 14. TANGIBLE ASSETS

Group	Freehold property £	Short leasehold property £	Plant and machinery £	Office Furniture & Equipment £	Motor vehicles £	Total £
<b>Cost</b>						
At 1 Jan 2020	7,734,736	162,308	1,250,579	254,578	202,017	9,604,218
Additions	–	–	27,695	30,499	18,292	76,486
Disposals	–	(28,511)	(4,800)	(2,386)	–	(35,697)
<b>At 31 Dec 2020</b>	<b>7,734,736</b>	<b>133,797</b>	<b>1,273,474</b>	<b>282,691</b>	<b>220,309</b>	<b>9,645,007</b>
<b>Depreciation</b>						
At 1 Jan 2020	218,655	111,269	269,482	118,281	149,264	866,951
Charge for the year	87,987	7,253	82,528	34,819	34,430	247,017
Disposals	–	(28,511)	(4,079)	(1,789)	–	(34,379)
<b>At 31 Dec 2020</b>	<b>306,642</b>	<b>90,011</b>	<b>347,931</b>	<b>151,311</b>	<b>183,694</b>	<b>1,079,589</b>
<b>Carrying amount</b>						
<b>At 31 Dec 2020</b>	<b>7,428,094</b>	<b>43,786</b>	<b>925,543</b>	<b>131,380</b>	<b>36,615</b>	<b>8,565,418</b>
At 31 Dec 2019	7,516,081	51,039	981,097	136,297	52,753	8,737,267

# A & J ROBERTSON (GRANITE) LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

### YEAR ENDED 31st DECEMBER 2020

#### 14. TANGIBLE ASSETS (continued)

The Freehold Land and Buildings held at 31st December 2005 were professionally revalued at market values on the basis of existing use. This valuation was used as the deemed cost on transition to FRS 102. Properties purchased between the date of transition and 31<sup>st</sup> December 2020 have been included at cost price less depreciation where applicable.

#### Freehold Property

The carrying value of Freehold Property comprises:

	2020 £	2019 £
Investment Property at fair value	447,564	447,564
Other Properties at deemed cost/cost	6,980,530	7,068,517
	<u>7,428,094</u>	<u>7,516,081</u>

The fair value of the investment property at 31st December 2020 is considered to be the same as the carrying value of £447,564. Carrying value was the purchase price of the property in 2016 less depreciation made to the building before it was transferred to an investment property during the year ended 31st December 2018.

Company	Freehold property £	Short leasehold property £	Plant and machinery £	Office Furniture & Equipment £	Motor vehicles £	Total £
<b>Cost</b>						
At 1 Jan 2020	6,916,320	162,308	1,250,579	254,578	202,017	8,785,802
Additions	–	–	27,695	30,499	18,292	76,486
Disposals	–	(28,511)	(4,800)	(2,386)	–	(35,697)
<b>At 31 Dec 2020</b>	<u>6,916,320</u>	<u>133,797</u>	<u>1,273,474</u>	<u>282,691</u>	<u>220,309</u>	<u>8,826,591</u>
<b>Depreciation</b>						
At 1 Jan 2020	218,655	111,269	269,482	118,281	149,264	866,951
Charge for the year	87,987	7,253	82,528	34,819	34,430	247,017
Disposals	–	(28,511)	(4,079)	(1,789)	–	(34,379)
<b>At 31 Dec 2020</b>	<u>306,642</u>	<u>90,011</u>	<u>347,931</u>	<u>151,311</u>	<u>183,694</u>	<u>1,079,589</u>
<b>Carrying amount</b>						
<b>At 31 Dec 2020</b>	<u>6,609,678</u>	<u>43,786</u>	<u>925,543</u>	<u>131,380</u>	<u>36,615</u>	<u>7,747,002</u>
At 31 Dec 2019	<u>6,697,665</u>	<u>51,039</u>	<u>981,097</u>	<u>136,297</u>	<u>52,753</u>	<u>7,918,851</u>

The Freehold Land and Buildings held at 31st December 2005 were professionally revalued at market values on the basis of existing use. This valuation was used as the deemed cost on transition to FRS 102. Properties purchased between the date of transition and 31<sup>st</sup> December 2020 have been included at cost price less depreciation where applicable.

# A & J ROBERTSON (GRANITE) LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

YEAR ENDED 31st DECEMBER 2020

### 14. TANGIBLE ASSETS (continued)

#### Freehold Property

The carrying value of Freehold Property comprises:

	2020 £	2019 £
Investment Property at fair value	447,564	447,564
Other Properties at deemed cost/cost	6,162,114	6,250,102
	<u>6,609,678</u>	<u>6,697,666</u>

The fair value of the investment property at 31st December 2020 is considered to be the same as the carrying value of £447,564. Carrying value was the purchase price of the property in 2016 less depreciation made to the building before it was transferred to an investment property during the year ended 31st December 2018.

### 15. INVESTMENTS

Group	Investment in Associated Undertakings £	Loans to Associated Undertakings £	Total £
<b>Cost/Fair Value</b>			
At 1st January 2020	123,655	276,230	399,885
Increase in fair value	66,695	–	66,696
Additions	–	185,000	185,000
Repayment	–	–	–
At 31st December 2020	<u>190,350</u>	<u>461,230</u>	<u>651,581</u>
<b>Impairment</b>			
At 1st January 2020	3,779	–	3,779
Additions	–	–	–
Reversal of impairment	(1,012)	–	(1,012)
At 31st December 2020	<u>2,766</u>	<u>–</u>	<u>2,766</u>
<b>Net Book Value</b>			
At 31st December 2020	<u>187,584</u>	<u>461,230</u>	<u>648,814</u>
At 31st December 2019	<u>119,876</u>	<u>276,230</u>	<u>396,106</u>

	Country of incorporation	Holding	Proportion of voting rights and shares held	Nature of business
<b>Associated undertakings</b>				
Brewsterwells Crematorium Limited	Scotland	Ordinary shares & loan	33.33%	Non trading
Baldarroch Crematorium Limited	Scotland	Ordinary shares & loan	28.57%	Crematorium

# A & J ROBERTSON (GRANITE) LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31st DECEMBER 2020

### 15. INVESTMENTS *(continued)*

#### Associated undertakings

The aggregate of Brewsterwells Crematorium Limited share capital and reserves as at 31st July 2020 amounted to £(8,300) (2019 - £(7,557)). The loss for the year amounted to £(743) (2019 - £(1,972)).

The aggregate of Baldarroch Crematorium Limited share capital and reserves as at 31st December 2020 amounted to £560,547 (2019 - £328,411). The profit for the year amounted to £232,136 (2019 - £117,567).

Company	Subsidiary Company	Investment in Associated Undertakings	Loans to Associated Undertakings	Total
Cost/Fair Value	£	£	£	£
At 1st January 2020	399,536	123,655	276,230	799,421
Increase in fair value	—	66,695	—	66,695
Additions	—	—	185,000	185,000
Repayment	—	—	—	—
At 31st December 2020	<u>399,536</u>	<u>190,350</u>	<u>461,230</u>	<u>1,051,116</u>
<b>Impairment</b>				
At 1st January 2020	—	3,779	—	3,779
Additions	—	—	—	—
Reversal of impairment	—	(1,012)	—	(1,012)
At 31st December 2020	<u>—</u>	<u>2,766</u>	<u>—</u>	<u>2,776</u>
<b>Net Book Value</b>				
At 31st December 2020	<u>399,536</u>	<u>187,584</u>	<u>461,230</u>	<u>1,048,350</u>
At 31st December 2019	<u>399,536</u>	<u>119,876</u>	<u>276,230</u>	<u>795,642</u>

	Country of incorporation	Holding	Proportion of voting rights and shares held	Nature of business
<b>Subsidiary undertaking</b>				
H Stevenson & Sons Limited	England	Ordinary shares	100%	Property ownership
<b>Associated undertakings</b>				
Brewsterwells Crematorium Limited	Scotland	Ordinary shares & loan	33.33%	Non trading
Baldarroch Crematorium Limited	Scotland	Ordinary shares & loan	28.57%	Crematorium

# A & J ROBERTSON (GRANITE) LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31st DECEMBER 2020

### 15. INVESTMENTS *(continued)*

#### Associates undertakings

The aggregate of Brewsterwells Crematorium Limited share capital and reserves as at 31st July 2020 amounted to £(8,300) (2019 - £(7,557)). The loss for the year amounted to £(743) (2019 - £(1,972)).

The aggregate of Baldarroch Crematorium Limited share capital and reserves as at 31st December 2020 amounted to £560,547 (2019 - £328,411). The profit for the year amounted to £232,136 (2019 - £117,567).

### 16. STOCKS

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Raw materials and consumables	556,404	613,267	556,404	613,267
Work in progress	9,938	12,613	9,938	12,613
Finished goods and goods for resale	14,590	47,194	14,590	47,194
	<u>580,932</u>	<u>673,074</u>	<u>580,932</u>	<u>673,074</u>

### 17. DEBTORS

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Trade debtors	223,737	245,192	223,737	245,192
Amounts owed by group undertakings	—	—	88,879	88,879
Prepayments and accrued income	424,703	238,222	424,703	238,222
	<u>648,440</u>	<u>483,414</u>	<u>737,319</u>	<u>572,293</u>

Amounts owed by group undertaking is an interest free loan between parent and subsidiary, H Stevensons & Sons Limited. There are no fixed repayment terms and the loan is repayable on demand.

### 18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Payments received on account	980,958	659,654	980,958	659,654
Trade creditors	136,072	221,403	136,071	221,402
Accruals and deferred income	173,504	119,647	173,504	119,647
Social security and other taxes	303,255	184,454	303,255	184,454
	<u>1,593,789</u>	<u>1,185,158</u>	<u>1,593,788</u>	<u>1,185,157</u>

The Clydesdale Bank plc holds two floating charges over the assets and undertakings of the company.

# A & J ROBERTSON (GRANITE) LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31st DECEMBER 2020

### 19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Other creditors	<u>9,450</u>	<u>—</u>	<u>9,450</u>	<u>—</u>

Liabilities in respect of hire purchase agreements are secured over the related fixed assets.

### 20. PROVISIONS

Group	Deferred tax (note 20) £
At 1st January 2020	1,176,997
Additions	10,770
Unused tax losses	(51,289)
At 31st December 2020	<u>1,136,478</u>

Company	Deferred tax (note 20) £
At 1st January 2020	1,171,323
Additions	10,770
Unused tax losses	(51,289)
At 31st December 2020	<u>1,130,804</u>

### 21. DEFERRED TAX

The deferred tax included in the balance sheet is as follows:

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Included in provisions (note 19)	<u>1,136,478</u>	<u>1,176,997</u>	<u>1,130,804</u>	<u>1,171,323</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Accelerated capital allowances	201,398	190,628	201,398	190,628
Revaluation of tangible assets	42,762	42,762	37,088	37,088
Rolled over gains	1,081,359	1,081,359	1,081,359	1,081,359
Unused tax losses	(189,041)	(137,752)	(189,041)	(137,752)
	<u>1,136,478</u>	<u>1,176,997</u>	<u>1,130,804</u>	<u>1,171,323</u>

# A & J ROBERTSON (GRANITE) LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31st DECEMBER 2020

### 22. PENSIONS

The company operates a defined benefits pension scheme. The amounts included in the consolidated profit and loss account are as follows:

	<b>Group and Company</b>	
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Admin expenses paid by scheme employer	<u>20,015</u>	<u>20,721</u>

The amounts included in the balance sheet arising from the obligations in respect of the defined benefit scheme are as follows:

	<b>Group and Company</b>	
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Present value of defined benefit obligations	3,056,000	3,056,000
Fair value of plan assets	<u>(3,078,000)</u>	<u>(3,078,000)</u>
Scheme surplus	(22,000)	(22,000)
Unrecognised scheme surplus	<u>22,000</u>	<u>22,000</u>
Asset recognised in the balance sheet	<u>-</u>	<u>-</u>

FRS 102 limits the amount of a surplus that can be recognised in the balance sheet. It can only be recognised to the extent that the employer is able to recover the surplus either through reduced contributions in the future or through refunds from the plan. The surplus has been restricted to nil (2019: nil) on the basis that the scheme has been closed to future accrual since 1998.

The last actuarial valuation was carried out in April 2018, however, FRS 102 does not require the group/company to engage an independent actuary to perform the comprehensive actuarial valuation needed to calculate its defined benefit obligation. Nor does it require a comprehensive actuarial valuation to be carried out annually. In the periods between comprehensive actuarial valuations, if the principal actuarial assumptions have not changed significantly the defined benefit obligation can be measured by adjusting the prior period measurement for changes in employee demographics. There have been no such changes in either the principal assumptions or the employee demographics since April 2018.

The defined benefit obligations arise from plans funded as follows:

	<b>Group and Company</b>	
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Wholly or partly funded obligations	<u>3,056,000</u>	<u>3,056,000</u>

The fair value of the plan assets at the year end comprised:

	<b>Group and Company</b>	
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Pooled investment vehicles	2,939,000	2,939,000
Insurance policies	<u>117,000</u>	<u>117,000</u>
	<u>3,056,000</u>	<u>3,056,000</u>

# A & J ROBERTSON (GRANITE) LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31st DECEMBER 2020

### 22. PENSIONS *(continued)*

None of the scheme investments are held in this group. Actuarial valuations are performed every three years. No further payments to the defined benefits pension scheme will be made in accordance with actuarial advice. On 14th March 2012 a secondary floating charge was granted over the assets of the group in favour of the A & J Robertson (Granite) Ltd Pension & Life Assurance Scheme.

Key Assumptions	2020 £	2019 £
Discount rate pre-retirement	4%	4%
Discount rate post-retirement	2.65%	2.65%
RPI inflation	3.30%	3.30%
CPI inflation	2.60%	2.60%

Mortality rates have been assessed using the 100% SP2A base table with future improvements based on CMI\_2017[1.5%].

The most recent valuation of investments showed an increase of approximately 3.7% since the year-end, with liabilities having reduced by the death of 1 pensioner. The directors are therefore of the opinion that not only does the scheme remain in surplus post year-end, but that the surplus has increased.

The company now operates a defined contribution pension scheme. Contributions to the defined contribution pension scheme are disclosed at note 6 to the financial statements.

### 23. GOVERNMENT GRANTS

The amounts recognised in the consolidated financial statements for government grants are as follows:

	Group		Company	
	2020 £	2019 £	2020 £	2019 £
Recognised in other operating income:				
Government grants recognised directly in income	<u>655,427</u>	<u>—</u>	<u>655,427</u>	<u>—</u>

# A & J ROBERTSON (GRANITE) LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31st DECEMBER 2020

### 24. FINANCIAL INSTRUMENTS

The carrying amount for each category of financial instrument is as follows:

#### Financial assets that are debt instruments measured at amortised cost

	Group	
	2020	2019
	£	£
Financial assets that are debt instruments measured at amortised cost	<u>242,642</u>	<u>245,192</u>

#### Financial assets that are equity instruments measured at cost less impairment

	Group	
	2020	2019
	£	£
Financial assets that are equity instruments measured at cost less impairment	<u>648,814</u>	<u>396,106</u>

#### Financial liabilities measured at amortised cost

	Group	
	2020	2019
	£	£
Financial liabilities measured at amortised cost	<u>1,117,029</u>	<u>881,057</u>

The fair value through profit and loss at the balance sheet date are determined from latest set of associate accounts and trading position.

### 25. CALLED UP SHARE CAPITAL

#### Issued, called up and fully paid

	2020		2019	
	No.	£	No.	£
Ordinary shares of £1 each	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>

### 26. RESERVES

Revaluation reserve - This reserve records the value of asset revaluations and fair value movements on assets recognised in other comprehensive income.

Capital redemption reserve - This reserve records the nominal value of shares repurchased by the company.

Profit and loss account - This reserve records retained earnings and accumulated losses.

# A & J ROBERTSON (GRANITE) LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31st DECEMBER 2020

### 27. OPERATING LEASES

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

	<b>Group</b>		<b>Company</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Not later than 1 year	<b>60,718</b>	65,024	<b>60,718</b>	65,024
Later than 1 year and not later than 5 years	<b>155,958</b>	182,918	<b>155,958</b>	182,918
Later than 5 years	<b>26,250</b>	61,250	<b>26,250</b>	61,250
	<b><u>242,926</u></b>	<b><u>309,192</u></b>	<b><u>242,926</u></b>	<b><u>309,192</u></b>

### 28. RELATED PARTY TRANSACTIONS

During the year the company paid dividends to directors (including dividends paid to a family trust) totalling £nil (2019 - £97,500).

The company has taken advantage of the exemption available under FRS 102 paragraph 33.1A not to disclose related party transactions entered into between two or more members of a group where any subsidiary that is party to the transaction is wholly owned by such a member. At 31 December 2020 the subsidiary, H Stevenson & Son Limited was due £88,879 to the company (2019 - £88,879). The loan is interest free and repayable on demand.

The company operates a pension scheme on behalf of employees, with the funds being held separately from the company. The Company's contributions to the defined benefit pension scheme during the year amounted to £nil (2019 - £nil). Other costs incurred by the Company relating to the defined benefit pension scheme during the year amounted to £20,015 (2019 - £20,721).

The company sold stock to Baldarroch Crematorium Limited of £2,726 (2019 - £1,348) during the year. Included in trade debtors is the balance of £nil (2019 - £nil) which is outstanding at the year end. The company charged Baldarroch Crematorium £6,000 management charge to provide administration services to the associate which remains outstanding at 31st December 2020.

The key management personnel are considered to be the Directors and their remuneration is disclosed at Note 9 to the Financial Statements.

### 29. NON-ADJUSTING EVENTS AFTER THE ACCOUNTING PERIOD

In common with most businesses, the company and the group has been affected by the outbreak of Covid-19 which occurred in 2020 and continued in 2021.

The company ceased operations on 24th March 2020 as a result of Covid-19 and recommenced operations on 29th June 2020. The company has continued to operate since then although operations have been severely disrupted at times.

Since the year end to the 30th June 2021, the Group benefitted from government support in the form of business support grants of £267,130 and payments from the Coronavirus Job Retention Scheme of £68,725, which were made to relieve the effects of Covid-19. The directors are of the opinion that there have been no financial effects on the group and the company as a result of Covid-19 that has not already been recognised within the financial statements to 31st December 2020.

### 30. CONTROLLING PARTY

Mr Graeme D Robertson is the controlling shareholder, Chairman and ultimate controlling party of the group.