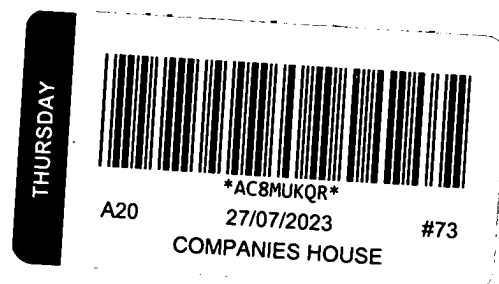


Registration number: 03019895

Sir Robert McAlpine Capital Ventures Limited

Annual Report and Financial Statements

for the Year Ended 31 October 2022



Sir Robert McAlpine Capital Ventures Limited

Company Information

Directors Robert J W Wotherspoon B.Eng., ACA
David Honeyman CGMA

Company secretary Kevin J Pearson BSc., ACA

Registered office Eaton Court
Maylands Avenue
Hemel Hempstead
Hertfordshire
HP2 7TR
United Kingdom

Auditor Mazars LLP
Statutory Auditor
30 The Old Bailey
London
EC2M 7AU
United Kingdom

Sir Robert McAlpine Capital Ventures Limited

Strategic Report for the Year Ended 31 October 2022

The Directors present their Strategic Report for the year ended 31 October 2022.

Principal activity

The principal activity of the Company is as an investment holding company. Its future activity is dependent on the investment requirements of the group of which it is a member.

The Company charges management fees and development management fees to the various investments.

Fair review of the business

There were no significant disposals or additions of investments during the current or prior year.

The Company's key financial indicator is the amount of finance income it receives from its investments each year. Finance income for the year amounted to £4,525,758 (2021 - £9,437,812). The Company's performance against this measure was satisfactory.

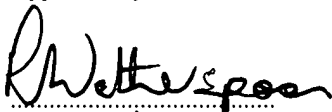
Principal risks and uncertainties

The Company has exposures to a variety of financial risks which are managed with the purpose of minimising any potential adverse effect on the Company's performance. The Board has policies for managing each of these risks and they are outlined below.

Investment risk: As an investment holding company, the primary risks lie in the operations of its investments which include a combination of the subsidiaries (see note 9) and joint ventures (see note 9). Risk evaluation is undertaken by each company and the Company's investments are closely monitored by the board.

Treasury risk management: The Newarthill Group manages its cash and investments on a Group wide basis and interest rates and the credit status of counterparties are reviewed constantly.

Approved by the Board on 21/7/23 and signed on its behalf by:



Robert J W Wotherspoon B.Eng., ACA
Director

Sir Robert McAlpine Capital Ventures Limited

Directors' Report for the Year Ended 31 October 2022

The Directors present their Annual Report and the audited financial statements for the year ended 31 October 2022.

Directors of the Company

The Directors who held office during the year were as follows:

Robert J W Wotherspoon B.Eng., ACA

David Honeyman CGMA

Results and Dividends

The profit for the year before taxation amounted to £1,652,116 (2021: £8,907,498). There were no Interim dividends paid during the year (2021: £39,500,000). The Directors do not recommend the payment of a final dividend (2021: £nil).

Risks and uncertainties

The Company's principal risks and uncertainties are included in the Strategic Report.

Equal opportunities

The Company gives full and fair consideration to applications for employment made by disabled persons where they have the necessary aptitude and abilities. Where employees become disabled, the Company endeavours to continue their employment provided there are duties which they can perform despite their disabilities.

The Company is an active equal opportunities employer and promotes an environment free from discrimination and victimisation. Employees are treated equally and fairly, and selection for training, promotion, career progression and other benefits is taken solely on merit and ability to perform against role profiles.

Stakeholder engagement

The Company's stakeholders include not just its shareholders but also its employees, its customers, its suppliers and a number of other interested parties. The Board recognises that it needs to address the interests of its employees, and to foster its business relationships with suppliers, customers and others.

Future developments

Details of future developments can be found in the Strategic Report on page number 2.

Going concern

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for at least 12 months from the date of approval of these financial statements. Accordingly, they continue to adopt the going concern basis in preparing the Annual Report and financial statements.

Further details regarding the adoption of the going concern basis can be found in the accounting policies note in the financial statements.

Directors' liabilities

Third party indemnity provisions made by the ultimate parent company on behalf of all Directors within the group were in force for the entire financial year.

Sir Robert McAlpine Capital Ventures Limited

Directors' Report for the Year Ended 31 October 2022

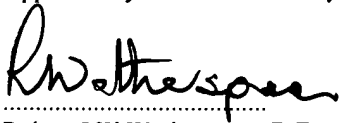
Disclosure of information to the auditor

Each Director has taken steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information. The Directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Reappointment of auditor

The auditor, Mazars LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Approved by the Board on 21/7/23 and signed on its behalf by:



Robert J W Wotherspoon B.Eng., ACA
Director

Sir Robert McAlpine Capital Ventures Limited

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual 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), including FRS 102 "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland". Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company 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 United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Sir Robert McAlpine Capital Ventures Limited

Independent Auditor's Report to the Members of Sir Robert McAlpine Capital Ventures Limited

Opinion

We have audited the financial statements of Sir Robert McAlpine Capital Ventures Limited (the 'Company') for the year ended 31 October 2022 which comprise the Profit and Loss Account, Statement of Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and notes to the financial statements, 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 financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 October 2022 and of its profit 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.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Sir Robert McAlpine Capital Ventures Limited

Independent Auditor's Report to the Members of Sir Robert McAlpine Capital Ventures Limited

Opinion on other matter 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

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

Responsibilities of Directors

As explained more fully in the Statement of Directors' Responsibilities [set out on page 5], the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the 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 Company or to cease operations, or have no realistic alternative but to do so.

Auditor Responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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.

Based on our understanding of the company and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: anti-money laundering regulation.

Sir Robert McAlpine Capital Ventures Limited

Independent Auditor's Report to the Members of Sir Robert McAlpine Capital Ventures Limited

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the Company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation and the Companies Act 2006.

In addition, we evaluated the Directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to revenue recognition (which we pinpointed to the cut off assertion) and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

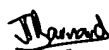
- Making enquiries of the Directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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.



Jon Barnard (Jul 25, 2023 15:47 GMT+1)

Jonathan Barnard (Senior Statutory Auditor)
For and on behalf of Mazars LLP,
Statutory Auditor
90 Victoria Street, London, United Kingdom
EC2M 7AU

Date: Jul 25, 2023

Sir Robert McAlpine Capital Ventures Limited

Profit and Loss Account for the Year Ended 31 October 2022

	Note	2022 £	2021 £
Turnover	3	3,492,515	3,425,572
Cost of sales		<u>(4,901,999)</u>	<u>(2,840,503)</u>
Gross (loss)/profit		(1,409,484)	585,069
Administrative expenses		<u>(1,051,743)</u>	<u>(834,133)</u>
Operating loss		(2,461,227)	(249,064)
Interest receivable and similar income	4	4,525,758	9,437,812
Interest payable and similar charges	5	<u>(412,415)</u>	<u>(281,250)</u>
Profit before tax		1,652,116	8,907,498
Taxation	8	<u>248,174</u>	<u>-</u>
Profit after tax		<u><u>1,900,290</u></u>	<u><u>8,907,498</u></u>

The above results were derived from continuing operations.

Sir Robert McAlpine Capital Ventures Limited

Statement of Other Comprehensive Income for the Year Ended 31 October 2022

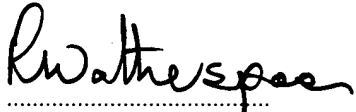
	2022 £	2021 £
Profit after tax	<u>1,900,290</u>	<u>8,907,498</u>
Total comprehensive income for the year	<u><u>1,900,290</u></u>	<u><u>8,907,498</u></u>

Sir Robert McAlpine Capital Ventures Limited

(Registration number: 03019895)
Balance Sheet as at 31 October 2022

	Note	2022 £	2021 £
Fixed assets			
Investments	9	13,922,511	13,922,511
Other financial assets	10	<u>16,372,254</u>	<u>17,032,135</u>
		<u>30,294,765</u>	<u>30,954,646</u>
Current assets			
Debtors	11	7,886,946	7,667,721
Creditors: Amounts falling due within one year	12	<u>(670,476)</u>	<u>(3,011,422)</u>
Net current assets		<u>7,216,470</u>	<u>4,656,299</u>
Total assets less current liabilities		37,511,235	35,610,945
Creditors: Amounts falling due after more than one year	12	<u>(22,561,004)</u>	<u>(22,561,004)</u>
Net assets		<u>14,950,231</u>	<u>13,049,941</u>
Capital and reserves			
Called up share capital	13	2	2
Profit and loss account		<u>14,950,229</u>	<u>13,049,939</u>
Total equity		<u>14,950,231</u>	<u>13,049,941</u>

Approved and authorised by the Board on 21/7/23 and signed on its behalf by:



Robert J W Wotherspoon B.Eng., ACA
 Director

Sir Robert McAlpine Capital Ventures Limited

Statement of Changes in Equity for the Year Ended 31 October 2022

	Share capital £	Retained earnings £	Total £
At 1 November 2020	2	43,642,441	43,642,443
Profit for the year	-	8,907,498	8,907,498
Dividends	-	(39,500,000)	(39,500,000)
At 31 October 2021	2	13,049,939	13,049,941

	Share capital £	Retained earnings £	Total £
At 1 November 2021	2	13,049,939	13,049,941
Profit for the year	-	1,900,290	1,900,290
At 31 October 2022	2	14,950,229	14,950,231

The notes on pages 13 to 23 form an integral part of these financial statements.

Sir Robert McAlpine Capital Ventures Limited

Notes to the Financial Statements for the Year Ended 31 October 2022

1 General information

The Company is a private company limited by share capital, incorporated in United Kingdom and registered in England and Wales.

The address of its registered office is:

Eaton Court
Maylands Avenue
Hemel Hempstead
Hertfordshire
HP2 7TR
United Kingdom

These financial statements were authorised for issue by the Board on 21/7/23

2 Accounting policies

Summary of significant accounting policies and key accounting estimates and judgements

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Basis of preparation

These financial statements are presented in pounds sterling and have been prepared using the historical cost convention.

Departure from requirements of FRS 102

The Company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. Exemptions have been taken in these separate company financial statements in relation to ;

- financial instruments;
- presentation of a cash flow statement;
- information on compensation paid to key management personnel.

Equivalent disclosures are included in the financial statements of Newarthill Limited

Exemption from preparing group financial statements

The financial statements contain information about Sir Robert McAlpine Capital Ventures Limited as an individual company and do not contain consolidated financial information as the parent of a group.

The Company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its ultimate parent, Newarthill Limited, a company incorporated in United Kingdom.

Sir Robert McAlpine Capital Ventures Limited

Notes to the Financial Statements for the Year Ended 31 October 2022

Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report. The financial position of the Company is set out in the balance sheet and the accompanying notes to the financial statements. A description of the Company's investment risk is also set out in the Strategic Report.

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for at least 12 months from the date of approval of these financial statements. Accordingly, they continue to adopt the going concern basis in preparing the Annual Report and financial statements.

Key sources of estimation uncertainty and judgements

There are no key sources of estimation uncertainty or critical accounting judgements.

Turnover

Turnover represents fees for services provided to clients during the year. Turnover is recognised on an accruals basis.

Tax

The tax credit for the period comprises deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

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

Investments

Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Cash and cash equivalents

Cash and cash equivalents can include cash in hand, call deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Sir Robert McAlpine Capital Ventures Limited

Notes to the Financial Statements for the Year Ended 31 October 2022

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account and Statement of Comprehensive Income over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments.

Dividends

Dividend distribution to the Company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Financial instruments

Classification

The group has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

Recognition and measurement

Basic financial assets, including trade and other receivables, cash and bank balances and investments in short-term deposits, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised costs using the effective interest method.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price.

Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or, (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Sir Robert McAlpine Capital Ventures Limited

Notes to the Financial Statements for the Year Ended 31 October 2022

Basic financial liabilities, including trade and other payables, Senior loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Impairment

At the end of each reporting period, financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

3 Turnover

The analysis of the Company's turnover for the year from continuing operations is as follows:

	2022	2021
	£	£
Provision of services	<u>3,492,515</u>	<u>3,425,572</u>

All turnover is generated in the United Kingdom.

4 Interest receivable and similar income

	2022	2021
	£	£
Interest income on investments	1,733,545	1,988,823
Dividend income	<u>2,792,213</u>	<u>7,448,989</u>
	<u>4,525,758</u>	<u>9,437,812</u>

5 Interest payable and similar expenses

	2022	2021
	£	£
Interest payable on loans from group undertakings	<u>412,415</u>	<u>281,250</u>

Sir Robert McAlpine Capital Ventures Limited

Notes to the Financial Statements for the Year Ended 31 October 2022

6 Information regarding Directors and employees

The Company had no employees during the year (2021 - None). Staff costs of £3,452,057 (2021 - £3,149,399) were recharged from the parent company. No emoluments were paid to the Directors in respect of their services to the Company (2021 - £nil).

7 Auditor remuneration

	2022 £	2021 £
Audit of the financial statements	<u>37,900</u>	<u>21,900</u>

8 Taxation

Tax (credited) /charged in the profit and loss account and statement of comprehensive income

	2022 £	2021 £
Deferred taxation		
Arising from origination and reversal of timing differences	<u>(248,174)</u>	<u>-</u>

The tax on profit before tax for the year is lower than the standard rate of corporation tax in the UK (2021 - lower than the standard rate of corporation tax in the UK) of 19% (2021 - 19%).

The differences are reconciled below:

	2022 £	2021 £
Profit before tax	<u>1,652,116</u>	<u>8,907,498</u>
Corporation tax at standard rate	313,902	1,692,425
Increase (decrease) from effect of different UK tax rates on some earnings	(59,562)	-
Effect of revenues exempt from taxation	(530,520)	(1,415,308)
Effect of expense not deductible in determining taxable profit	5,016	-
Tax arising from group relief for nil consideration	-	(350,077)
Tax increase from transfer pricing adjustments	<u>22,990</u>	<u>72,960</u>
Total tax result	<u>(248,174)</u>	<u>-</u>

In the Spring Budget 2021, the UK Government announced that from 1 April 2023, the main corporation tax rate would increase from 19% to 25%. This new law was substantively enacted in the Finance Bill 2021 and received Royal Assent on 10 June 2021.

Sir Robert McAlpine Capital Ventures Limited

Notes to the Financial Statements for the Year Ended 31 October 2022

Deferred tax

Deferred tax assets and liabilities

	Asset £	Liability £
2022	248,174	-
	<u>248,174</u>	<u>-</u>

There were no unrecognised deferred tax assets or liabilities (2021 - £Nil).

9 Investments in subsidiaries, joint ventures and unlisted investments

	2022 £	2021 £
Investments in subsidiaries	570,527	570,527
Investments in joint ventures	13,351,984	13,351,984
	<u>13,922,511</u>	<u>13,922,511</u>
Subsidiaries		£
Cost		
At 1 November 2021 and 31 October 2022		<u>570,527</u>
Carrying amount		
At 31 October 2022		<u>570,527</u>
At 31 October 2021		<u>570,527</u>
Joint ventures		£
Cost		
At 1 November 2021 and 31 October 2022		<u>13,351,984</u>
Carrying amount		
At 31 October 2022		<u>13,351,984</u>
At 31 October 2021		<u>13,351,984</u>

In the Directors' opinion, the value of the investments is not less than the amount at which they are stated on the balance sheet.

As permitted by Section 400 of the Companies Act 2006, group financial statements have not been prepared as Sir Robert McAlpine Capital Ventures Limited is itself a wholly-owned subsidiary. Consequently these financial statements give information about the Company only rather than the group. See note 18 for more details.

Sir Robert McAlpine Capital Ventures Limited

Notes to the Financial Statements for the Year Ended 31 October 2022

Details of undertakings

Subsidiaries

The following companies are directly, wholly-owned subsidiaries and are registered in England and Wales and incorporated in United Kingdom. The principal activities of the following companies are:

- Sir Robert McAlpine Road Holdings Limited acting as an investment company holding the equity of two road PPP projects.
- Raglan Development Limited is involved in developing various accommodation projects.
- Sir Robert McAlpine Capital Ventures Group Holdings Limited is an investment holding company. It owns 100% of the shares in Sir Robert McAlpine Capital Ventures (Holdings) Limited, which is also an investment company holding equity in four PPP projects, which are:

Sir Robert McAlpine Healthcare (Dawlish) Limited, which operates the Dawlish Community Hospital. Sir Robert McAlpine Capital Ventures (Holdings) Limited owns 100% of the ordinary shares in Sir Robert McAlpine Healthcare (Dawlish) Limited.

Pinnacle Schools (Gateshead) Holdings Limited, the holding company of Pinnacle Schools (Gateshead) Limited, which operates seven schools in Gateshead. Sir Robert McAlpine Capital Ventures (Holdings) Limited owns 100% of the ordinary shares in Pinnacle Schools (Gateshead) Holdings Limited.

SRM (Redcar & Cleveland) Holdings Limited, the holding company of SRM Redcar & Cleveland) Limited, which operates a hospital in Redcar. Sir Robert McAlpine Capital Ventures (Holdings) Limited owns 100% of the ordinary shares in SRM (Redcar & Cleveland) Holdings Limited.

Glasgow Learning Quarter (Holdings) Limited, the holding company of Glasgow Learning Quarter Limited, which operates a Non-Profit Distributing contract with City of Glasgow College. Sir Robert McAlpine Capital Ventures (Holdings) Limited owns 50% of the ordinary shares in Glasgow Learning Quarter (Holdings) Limited.

Joint ventures

The following companies are joint ventures and are registered in England and Wales and incorporated in Great Britain (unless otherwise stated). The principal activities of each company are to design, build or refurbish, finance and operate the relevant contract (as noted below).

- The Company owns 58% of the ordinary shares of Paget Health Services Holdings Limited, which owns 100% of Paget Health Services Limited. Paget Health Services Limited operates the Acute Care Wing at the King Edward VII Memorial Hospital in Bermuda under a PPP contract. Paget Health Services Holdings Limited is registered and incorporated in Bermuda.
- The Company owns 30% of the ordinary shares of Aura DC Limited, which holds an investment in a PFI management company.
- The Company owns 50% of the ordinary shares of STEP Springfield Village Limited, a property development company.
- The Company owns 50% of the ordinary shares of Cable Swan Limited, a property development company.
- The Company owns 50% of the ordinary shares of STEP Developments Limited, a property development company.

Sir Robert McAlpine Capital Ventures Limited

Notes to the Financial Statements for the Year Ended 31 October 2022

10 Other financial assets

	Loans to subsidiary undertakings
Cost and carrying amount	£
At 1 November 2021	17,032,135
Repayments	(659,881)
At 31 October 2022	<u>16,372,254</u>

11 Debtors

	Note	2022 £	2021 £
Amounts owed by related parties		7,255,957	7,344,515
Other debtors		208,809	132,236
Prepayments and accrued income		174,006	190,970
Deferred tax asset	8	<u>248,174</u>	<u>-</u>
		<u>7,886,946</u>	<u>7,667,721</u>

Amounts owed by related parties, which include the parent, subsidiaries and fellow subsidiaries are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

12 Creditors

	2022 £	2021 £
Due within one year		
Trade creditors	14,359	70,763
Amounts due to related parties	414,208	2,799,683
Other taxes	89,115	104,645
Accrued expenses	<u>152,794</u>	<u>36,331</u>
	<u>670,476</u>	<u>3,011,422</u>
Due after one year		
Amounts due to related parties	<u>22,561,004</u>	<u>22,561,004</u>

Included within amounts due to related parties is an unsecured loan from Autolink Concessionaires (A19) Limited, a subsidiary of Autolink Holdings (A19) Limited which is a subsidiary of the company, of £22.5m (2021 - £22.5m). Interest is charged at 1% above 12 month LIBOR and is receivable annually. The principal is payable by 30 September 2027.

The remaining amounts due to related parties, which include the parent and subsidiaries are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

Sir Robert McAlpine Capital Ventures Limited

Notes to the Financial Statements for the Year Ended 31 October 2022

13 Called up share capital

Allotted, called up and fully paid shares

	No.	2022 £	No.	2021 £
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

14 Reserves

Share capital

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

Profit and Loss Account

The Profit and Loss Account represents the Company's total retained earnings available for distribution.

There were no changes to the components of equity resulting from items of other comprehensive income in the current or prior years.

15 Dividends

	2022 £	2021 £
Interim dividend of £nil (2021 - £19,750,000.00) per ordinary share	-	39,500,000

The Directors are not proposing a final dividend (2021 - £Nil).

16 Related party transactions

The Company has taken advantage of the exemption available in accordance with section 33.1A of FRS 102 not to disclose transactions entered into between two or more members of a group where any subsidiary party to the transaction is wholly-owned by such a member.

The company received dividends of £1,293,872 during the year (2021: £1,610,869) from Paget Health Services Holdings Limited, a joint venture undertaking.

The company received dividends of £8,000 during the year (2021: £512,672) from Cable Swan Limited, a joint venture undertaking.

Included within turnover were management, accounting, company secretary and director fees of £1,798,679 (2021 - £1,569,666) received from joint ventures, of which £nil (2021 - £13,888) was outstanding at the year end.

Sir Robert McAlpine Capital Ventures Limited

Notes to the Financial Statements for the Year Ended 31 October 2022

17 Parent and ultimate parent undertaking

The Company's immediate parent is Sir Robert McAlpine Enterprises Limited, incorporated in United Kingdom.

The ultimate parent is Newarthill Limited, incorporated in United Kingdom.

The most senior parent entity producing publicly available financial statements is Newarthill Limited. These financial statements are available upon request from Eaton Court, Maylands Avenue, Hemel Hempstead, Hertfordshire, HP2 7TR, United Kingdom.

The ultimate controlling party is The McAlpine Partnership Trust.

18 Subsidiaries and related undertakings

All subsidiaries, associated undertakings and other significant holdings are shown below. Except where otherwise stated, the companies are incorporated in Great Britain and registered at Eaton Court, Maylands Avenue, Hemel Hempstead, Hertfordshire, HP2 7TR. The subsidiaries marked by * have taken advantage of the exemption from an audit in accordance with Section 479A of the Companies Act 2006. The ultimate parent company has provided a guarantee to each of these subsidiaries in compliance with Section 479C. The entities marked by ^ are held directly by the Company. The entities marked by # are either jointly controlled entities or associates.

Company	Registered company number	Country of Incorporation / registration	Interest in shares
PPP Investments			
Autolink Concessionaires (A19) Limited	04020725		100% ordinary
Autolink Holdings (A19) Limited	04020620		100% ordinary
Pinnacle Schools (Gateshead) Holdings Limited	05430017		100% ordinary
Pinnacle Schools (Gateshead) Limited	05430208		100% ordinary
Sir Robert McAlpine Healthcare (Dawlish) Limited	03319534	*	100% ordinary
Sir Robert McAlpine Road Holdings Limited ^	09651878	*	100% ordinary
Sir Robert McAlpine (A19) Limited	09627735	*	100% ordinary
Sir Robert McAlpine (M6) Limited	09615108	*	100% ordinary
SRM (Redcar & Cleveland) Holdings Limited	06445780		100% ordinary
SRM (Redcar & Cleveland) Limited	06445713		100% ordinary
Sir Robert McAlpine Capital Ventures Group Holdings Limited ^	13136119	*	100% ordinary
Sir Robert McAlpine Capital Ventures (Holdings) Limited	13139453	*	100% ordinary
Paget Health Services (Holdings) Limited ^ #		Bermuda	58% ordinary
Paget Health Services Limited #		Bermuda	58% ordinary
Glasgow Learning Quarter (Holdings) Limited	08413783		50% ordinary
Glasgow Learning Quarter Limited	08413842		50% ordinary
Aura DC Limited ^ #	09652007		30% ordinary

Sir Robert McAlpine Capital Ventures Limited

Notes to the Financial Statements for the Year Ended 31 October 2022

Autolink Concessionaires (M6) plc #	03201364	19.5% ordinary
Autolink Holdings (M6) Limited #	03319443	19.5% ordinary

Paget Health Service (Holdings) Limited and Paget Health Service Limited's registered address is Victoria Place, 31 Victoria Street, Hamilton, Bermuda HM10

Glasgow Learning Quarter (Holdings) Limited and Glasgow Learning Quarter Limited's registered office is 8 White Oak Square, London Road, Swanley, Kent, United Kingdom BR8 7AG.

Company	Registered company number	Country of Incorporation / registration	Interest in shares
Property Development			
Raglan Development Limited ^	09854957	*	100% ordinary
Pitsford Street Limited	10511043	*	100% ordinary
Monkwearmouth Development Limited #	13232778		60% ordinary
Cable Swan Limited ^ #	10390283		50% ordinary
STEP Springfield Village Limited ^ #	11164792		50% ordinary
STEP Developments Limited ^ #	12679822		50% ordinary
CEPFII Charles Street Manchester Developments Limited #	11168796		50% ordinary

Cable Swan Limited's registered address is 160-164 Wellington Road, Withington, Manchester, United Kingdom, M20 3FU.

STEP Developments Limited's registered address is 10 St Giles Street, London, United Kingdom, WC2H 8AP.

CEPFII Charles Street Manchester Developments Limited's registered address is 33 Cavendish Square, London, United Kingdom W1G 0PW.