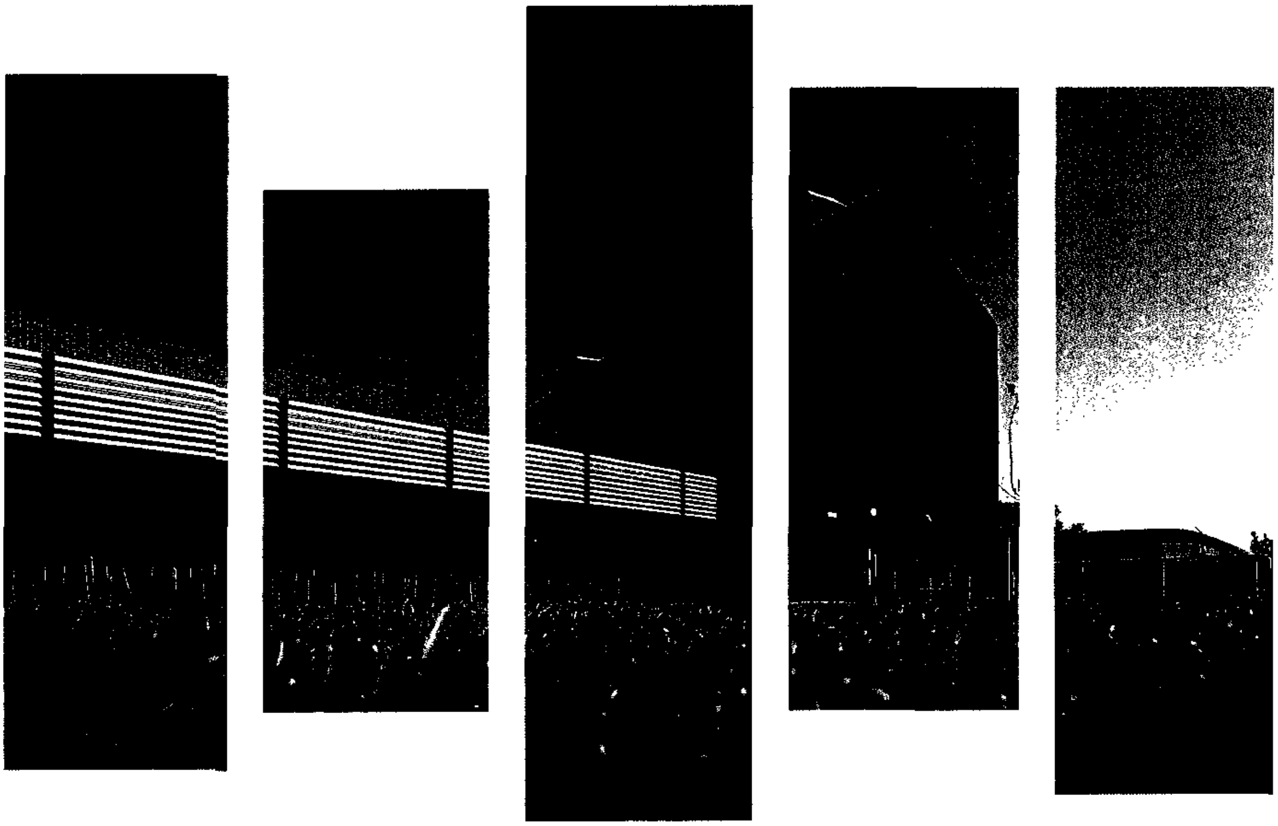
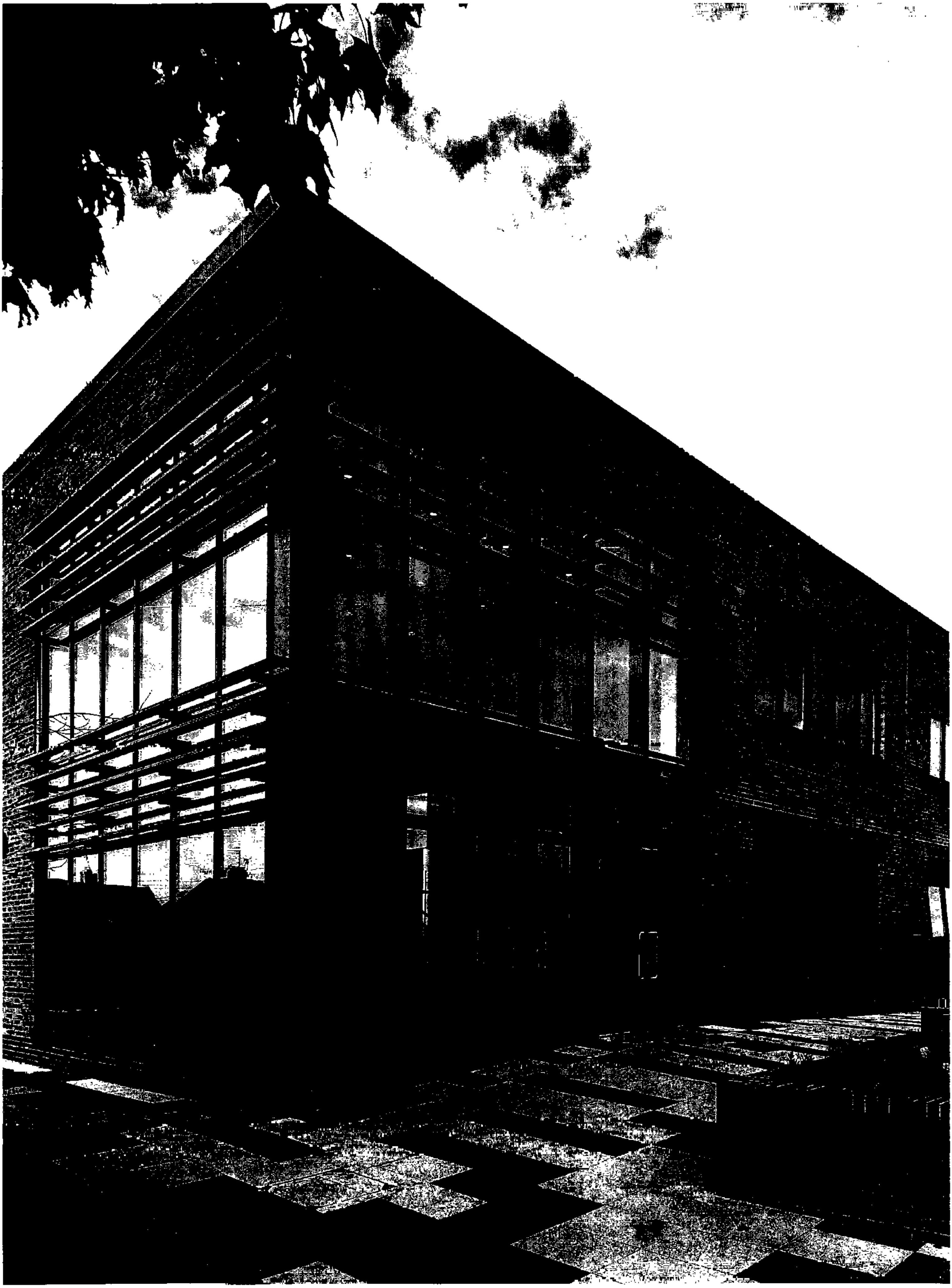
CARTER



R. G. CARTER
HOLDINGS LIMITED

2022 ANNUAL REPORT & ACCOUNTS

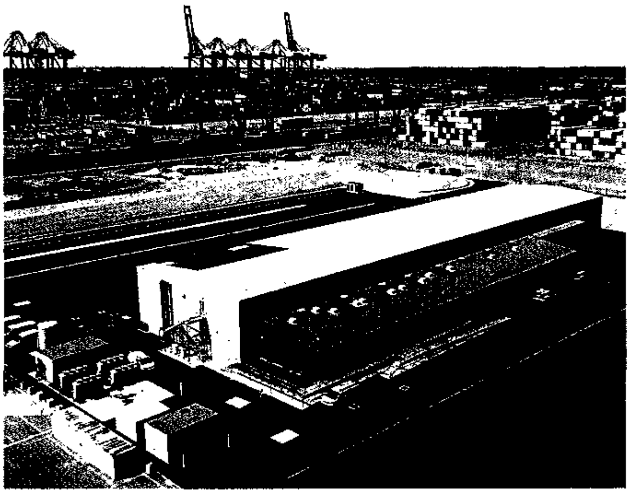
Building for the future



R. G. CARTER HOLDINGS LIMITED

2022 ANNUAL REPORT & ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2022



Registered in England number 05906053

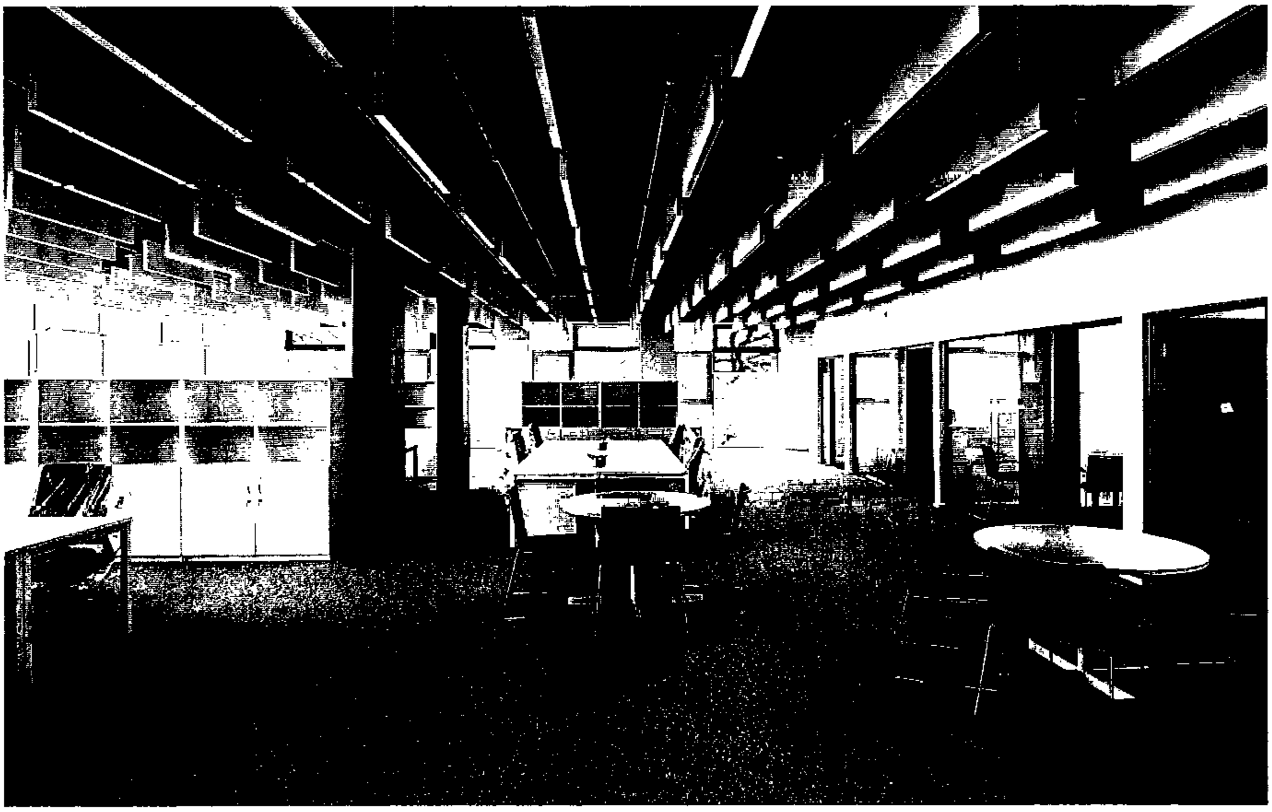
COMPANY INFORMATION

Directors
R. G. Carter (Chairman)
Sir A. J. Habgood (Deputy Chairman)
R. M. Jeffries
N. Keen
R. E. R. Carter
J. G. S. Carter
E. C. Vinters

Secretary
R. J. Alflatt

Registered Office
Drayton, Norwich
Norfolk, NR8 6AH

Auditor
KPMG LLP
Statutory Auditor
Chartered Accountants
Dragonfly House
2 Gilders Way
Norwich
Norfolk NR3 1UB



NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that the 17th Annual General Meeting of R. G. Carter Holdings Limited will be held at the Lowlands Office of the Company at Drayton, Norwich, on 6 July 2023 at 12.00 noon for the following purposes:-

Adoption of reports and accounts
(Resolution 1)
To receive and adopt the accounts of the Company and of the Group for the year ended 31 December 2022 and the reports of the Directors and the Auditor thereon.

Re-election of Directors
(Resolution 2)
To re-elect the following Directors who retire under the provisions of the Articles of Association:
R. M. Jeffries
J. G. S. Carter

Proposal of dividend
(Resolution 3)
To approve a final dividend in respect of the financial year ended 31 December 2022 of £241,807.25. If the resolution is passed, the proposed final dividend of 25p per ordinary share will be paid on 7 July 2023 to ordinary shareholders who are on the register of members at close of business on 6 July 2023.

Auditor
(Resolutions 4 and 5)
To re-appoint KPMG LLP as Auditor of the Company.

To authorise the Directors to fix the remuneration of the Auditor.

To transact any other business.

By order of the Board
R. J. Alflatt
Secretary

Drayton
Norwich, NR8 6AH
25 May 2023

Note
A member entitled to attend and vote at this meeting may appoint one or more proxies to attend and, on a poll, vote in his stead; a proxy need not be a member. A form of proxy accompanies this notice.

CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2022

I am pleased to present the Annual Report and Accounts for RG Carter Holdings Limited for the year ended 31 December 2022.

Turnover for the year was £322.0m and pretax profit was £7.1m. The balance sheet remains strong at £132.8m.

During the year the Firm took the opportunity and invested an additional £14.0m in the Defined Benefit Pension Scheme to protect and secure members' benefits.

The UK economy has affected the Firm over the last year with rising costs and inflation. Despite these challenges the Firm continues to have a healthy forward order book and a strong balance sheet which allows the Firm to remain agile and to adapt as necessary to maximise opportunities.

Following the Firm's Centenary gift in 2021 of 8 acres of land on the Norwich Research Park adjacent to the Norfolk and Norfolk University Hospital, I am pleased to report as Chairman of the Trustees that the 24 bed palliative care facility is nearing completion and should accommodate its first patients later this year.

I conclude by thanking all colleagues for their hard work, commitment, professionalism, loyalty and skill over the past year. They deserve great credit for all they have achieved.

Robert Carter
Chairman
25 May 2023

REPORT OF THE DIRECTORS

To the Members of R. G. Carter Holdings Limited
Your Directors present their Annual Report and Accounts of the Group and of the Company for the year ended 31 December 2022.

Principal Activities
The activities of the Group are carried out principally within the construction industry and include property development.

Statement of Directors' responsibilities in respect of the Annual Report and the financial statements
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 they have elected to prepare the Group and Parent Company financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland.*

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Parent Company and of the Group's profit or loss for that period. In preparing each of the Group and Parent Company financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Group and Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the Parent Company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Disclosure of information to the auditor
Each of the persons who are Directors at the time when this Directors' report is approved has confirmed that:

So far as that Director is aware, there is no relevant audit information of which the Company auditor is unaware, and that Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company auditor is aware of that information.

Profits and Dividends
The consolidated Group net profit, after taxation, for the year ended 31 December 2022 was £4.5m as compared with £10.0m for the previous year.

The consolidated profit and loss account is set out at page 16. Note 1 to the Accounts contains a summary of the accounting policies followed by the Group and page 19 shows the changes in equity during the year. The state of the Group's affairs is shown in the consolidated balance sheet on page 17 of the Accounts and a consolidated cash flow statement is incorporated at page 20.

No dividend was paid by the Company during the current or previous year.

REPORT OF THE DIRECTORS

Political and Charitable Contributions
The Group made charitable contributions during the year of £0.02m (2021 - £0.4m) and no political contribution (2021 - £nil).

Subsidiary and Associated Undertakings
Particulars of the Group's principal subsidiary and associated undertakings are set out at page 37.

Directors
Those Directors who served during the year and since the year end are shown below:
R. G. Carter
Sir A. J. Habgood
R. M. Jeffries
N. Keen
R. E. R. Carter
J. G. S. Carter
E. C. Vinters

The Directors retiring by rotation are R. M. Jeffries and J. G. S. Carter who, being eligible, offer themselves for re-election.

During the year the Group maintained third party liability insurance for its Directors.

Employees
The Group recognises the importance of communication in employee participation and this is provided in a number of ways. The main methods are through an internal portal, our comprehensive external website, contract specific brochures and our bi-annual house publication, which are distributed to all Group employees, that give some indication of the Group's activities covering contracts, corporate and environmental responsibility, health and safety and social events; in addition circulars are displayed on notice boards at all places of work.

The Group's policies on employment and safety are updated regularly on our internal portal and are also circulated in printed booklet form for the attention of all employees. Consultation with its operatives is effected through its membership of relevant trade associations and contact with the appropriate officials of the recognised trade unions.

The Group is an equal opportunities employer and operates a policy on equal opportunities.

Employment of disabled persons
The Group considers applications for employment from disabled persons in the light of its requirements and the qualifications, aptitudes and abilities of the individual applicant, with applications for site employment receiving particular consideration in respect of current health and safety legislation.

If employees become disabled during the course of their work, sympathetic consideration is given to allow for the continuation of their jobs, providing the inherent safety requirements can be complied with. Disabled persons who cannot continue with their normal duties are eligible for re-training for alternative work as available.

We are committed to gender equality in the workplace and as such all employees can be considered for internal promotion opportunities and are selected on their abilities to do the new job as part of their career development.

Information included in the Strategic Report:
Under s414c(ii) of the Companies Act 2006, the following information is included in the Strategic Report:

- a review of the business including developments in the year, its performance and current position;
- a summary of the principal risks and uncertainties affecting the position of the Group; and
- information relating to the KPI's of the Group.

Going Concern
The financial statements have been prepared on a going concern basis which the Directors consider to be appropriate. The current economic climate and war in Ukraine over the last 12 months have led to soaring inflation and interest rates. This has impacted our costs but has been considered in the forecast for the period of at least 12 months from the date of approval of the financial statements. The economic climate appears to be easing as the construction sector heads into a recession, allowing us to have more certainty on costs although some products and materials are still hard to obtain due to supply issues.

The Directors continue to monitor the effects of inflation, interest rates and availability of materials and labour on the business.

The Directors have conducted a reverse stress test on the ability of the business to continue as a going concern, which assumes that the Group generates no

REPORT OF THE DIRECTORS

revenue and assumes no changes to the fixed cost base for a period of at least 12 months from the date of approval of the financial statements.". This shows that even when applying the reverse stress test scenario, the Group would still be able to meet its liabilities as they fall due for the forecast period.

The Group had significant cash reserves of £74.2m as at 31 December 2022. The Group has no external borrowings and the Directors continue to manage the business prudently.

Consequently, the Directors are confident that the Group and Company will have sufficient funds to continue to meet its liabilities as they fall due for the period of at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Streamlined Energy and Carbon Reporting

Revised Edition in conjunction with UK government environmental reporting guidelines including SECR guidance. An operational control approach has been taken. We have used the UK government greenhouse gas conversion factors for company reporting 2022. Scope 2 emissions from purchased electricity have been measured using a location-based approach.

For 2022, RG Carter Cambridge Limited's emission intensity, measured as the total Scope 1, 2 and 3 emissions relative to turnover is 6.88 tCO2e/£ million of turnover. This is an 18% reduction from 2021 emissions of 8.42 tCO2e/£ million. RG Carter Limited's emission intensity for 2022, measured as the total Scope 1, 2 and 3 emissions relative to turnover is 6.08 tCO2e/£ million of turnover. This is a 32% reduction from 2021 emissions of 8.89 tCO2e/£ million. RG Carter Group Limited's emission intensity for 2022, measured as the total Scope 1, 2 and 3

The Group are utilising renewable electricity tariffs for fixed premises and procured low carbon/renewable electricity tariffs for temporary supplies where possible. It has also continued to transition to LED lighting and more energy efficient electrical equipment within offices and more efficient plant and machinery on site, using electric machinery where feasible to reduce gas oil consumption. Implementation of our new green fleet policy and agile working arrangements have supported reducing emissions associated with transport, which is considered a significant source of our energy consumption and carbon footprint.

Climate change is the responsibility of everyone, and we recognise our own role in de-carbonising the built environment. The Group believes it can deliver the forward-thinking solutions necessary to support the UK in reaching Net-Zero by 2050. Details of the steps we are taking can be found on our website.

	Emissions intensity (tCO2e/£ million of turnover)						
	RG Carter Cambridge Limited			RG Carter Limited		RG Carter Group Limited	
	2022	2021	2020	2022	2021	2022	2021
Total emissions intensity	**6.88**	**8.42**	**8.91**	**6.08**	**8.89**	**16.29**	**13.39**
	Emissions (tCO2e)						
Scope 1 - gas combustion, other stationary fuels, transport fuels	843.53	632.09	529.25	261.28	300.15	28.09	23.44
Scope 2 - purchased electricity	120.21	144.51	126.52	36.67	99.39	18.35	8.40
Scope 3 - business travel where responsible for fuel	5.01	2.54	3.90	0.34	0.13	9.23	7.84
Total	**968.76**	**779.14**	**659.67**	**298.30**	**399.67**	**55.67**	**39.68**

The Directors are pleased to report a 21% reduction in our emissions intensity for the combined reporting businesses RG Carter Cambridge Limited, RG Carter Limited and RG Carter Group Limited.

RG Carter Limited met the reporting threshold for the first time this year. Reporting year 2021 carbon data has been included for RG Carter Limited to enable comparison. All companies are reporting as large unquoted companies and the methodology used is the WBCSD/WRI Greenhouse Gas Protocol: A Corporate Accounting Standard

emissions relative to turnover is 16.29 tCO2e/£ million of turnover. This is a 22% increase from 2021 emissions of 13.39 tCO2e/£ million. RG Carter Group Limited's emission intensity increase is a result of post pandemic office occupancy. The full breakdown by business and scope is detailed in the table above.

For 2022, the total carbon emissions associated with our reported energy use are 1,322.73 tCO2e. Total energy consumption used to calculate emissions for 2022 is 5,195,985 kWh.

Auditor
KPMG LLP has expressed their willingness to continue in office as Auditor of the Company and a resolution for their re-appointment will be proposed at the Annual General Meeting.

By Order of the Board
R. J. Alflatt
Secretary, Drayton, Norwich, NR8 6AH

25 May 2023

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

Business Review
Turnover for the year was £322.0m compared to £262.4m for the previous year, with the Group reporting profit before tax of £7.1m compared to a profit before tax of £13.4m in 2021, which included £6.2m from the sale of Manor Farm.

The Directors are pleased to see the Group continued to be profitable in the current circumstances. The balance sheet of the Group remains strong with £132.8m of net assets at 31 December 2022 compared with £135.5m at the end of 2021. This includes £74.2m of cash in hand, compared to £80.3m at the end of 2021. During the year, the Group has incurred £4.7m on capital and investing activities, investing for the future sustainability of the Group. Turnover for the Construction Group for the year was £304m increasing from £245m in 2021, with profit before tax being £1.0m compared to £10.5m in 2021.

Drayton Building Services Limited reported turnover of £38.8m in 2022, increasing from £32.4m in 2021. Profit before tax in 2022 was £0.5m (2021 - £0.5m).

Bullen Developments Limited had turnover of £9.0m in 2022, increasing from £1.1m in 2021. Profit before tax increased from £0.3m in 2021 to £5.1m in 2022. RG Carter Technical Services Limited reported turnover of £17.3m in 2022, increasing from £14.6m in 2021. Profit before tax was consistent with the prior year at £0.2m (2021 - £0.3m).

Key Risks and Uncertainties

Risk	Description of risk	Mitigation
Economic climate	The Group considers the effect of the current economic climate on contractual terms and conditions, availability of labour resources and potential volatility in procuring materials.	The Group works with a broad and diverse range of clients, who themselves operate across a number of different markets.
Health and safety and environmental impact	The Group's business is inherently complex and requires monitoring and management of health, safety and environmental risks.	Processes are in place to minimise these risks and are monitored by a Group resource in accordance with OHAS18001 and ROSPA standards.
Legal and regulatory	The Group is subject to a number of legal and regulatory requirements.	The Group monitors and responds to legal and regulatory developments. Contracts entered into by the Group are subjected to a review process to ensure that risks are identified and, where necessary, appropriate processes are put in place to mitigate those risks.

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

Risk	Description of risk	Mitigations
Project delivery	The Group has many projects at any point in time and the risks that the Group is exposed to are dependent on the nature of the work undertaken.	Projects in progress are managed through the Group's operating structure and procedures. Risks are monitored and updated by dedicated project teams.
Reputation and business conduct	The Group's ability to tender for new work is dependent on its relationship with its customers and other stakeholders.	The Group monitors performance through customer feedback and complies with the Bribery Act 2010.

The construction industry continues to face uncertainties because of impacts of COVID-19, Brexit and geo-political conflicts in Ukraine, resulting in continued volatility in availability of labour and materials, and cost inflation. The Directors considers these uncertainties will continue for the foreseeable future and steps have been taken to review the length of contracts undertaken ensuring back-to-back arrangements with its supply chain.

The Board and senior management are committed to the management of these risks through the consistent application of an effective risk management process, augmented where necessary by insurance.

Financial risk management objectives and policies

In common with other businesses, the Group aims to minimise financial risk. The measures used by the Directors to manage this risk include the preparation of profit and cash flows forecasts and regular monitoring of actual performance against these forecasts. Contracts are closely monitored to keep the risk of bad debts to a minimum. The Group monitors the financial strength of the Banks, with which it does business, to help minimise the risk to the Group's cash reserves of a bank failure.

Financial and non-financial key performance indicators

In addition to the monitoring of contracts on an individual basis, the Directors regularly use key performance indicators (KPI's) to monitor the financial position of the Group together with non-financial indicators. These include:

Profit before tax	**2022**	2021
Group operating profit - £000's	**2,027**	10,126
Profit before tax - £000's	**7,064**	13,372
Cash at bank and in hand - £000's	**74,249**	80,317
Staff headcount - increase/(decrease)	**4.94%**	(16.8%)

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

Companies Act 2006 s.172
The Directors consider, both individually and collectively, that in the decisions taken during the financial year they have satisfied the requirements of s172(1) of the Companies Act 2006 in acting in the way they consider, in good faith, would be most likely to promote the success of the Group as a whole, and in doing so having regard to the stakeholders and matters outlined in s172(1).

The Board is responsible for establishing the headline strategies and long-term vision of the Group and ensuring these are communicated and aligned across the business.

During the year, the Board considered and approved updates to key stakeholders on its strategic objective to deliver a simplified structure, focus and sustainable performance in line with the Group's vision and values.

Colleagues
The Group's strategy is to attract, retain, develop and promote the best people, which helps to ensure that behaviours are aligned with strategic objectives, an outstanding service is provided to customers and the unique culture and reputation of the Group is maintained.

The Executive Directors undertake regular visits to offices and sites to meet and engage with operational teams and hear about their successes and challenges first-hand. Certain Directors also attend performance and budget review meetings. Digital communication, a company magazine and intranet are used to communicate and engage with colleagues on strategic updates.

The Group has a whistleblowing policy that provides the Board with details of any concerns raised anonymously.

Customers
The Group recognises that engagement with customers is critical to its long-term success.

The Executive Directors engage with customers through regular meetings and dedicated management. Customer satisfaction feedback questionnaires are completed and gather real time quantitative and qualitive measures of success, capture 'lessons learned' and help us to continually improve. Engaging with, listening to, understanding, and sharing objectives and feedback, fosters strong relationships with customers.

That feedback helps to inform long-term strategies, budgets and business plans regularly considered and approved by the Board, including, but not limited to, the way in which teams are resourced, communicate, collaborate and drive quality in all that we do.

Supply Chain
The Group seeks to maintain and develop strong, open, collaborative, and positive relationships with our supply chain. Our success and reputation are inextricably linked to those relationships.

The Group, as far as practical, aims to support the local economy by using local supply chain.

The Director's engagement with supply chain helps to inform improvements in process and procedures and changes to the way in which we communicate, collaborate and interact with our supply chain.

The Board recognises the significance of cashflow and fair and prompt payment to our supply chain and has set policies, procedures, and contract terms accordingly.

Shareholder
As a privately-owned business, the Board understands the shareholder view on its long-term strategic plans. Shareholder engagement is via the Group Chairman, through regular communication and interactive dialogue.

Communities and Environment
The Group aims to be a leader in sustainable development and is committed to leaving a positive legacy in the communities in which it operates.

Other stakeholders
Other major stakeholder groups include the Group's pensioners, insurers, bankers, surety providers, advisors, auditors, regulators and HMRC.

With all these stakeholder groups, the Directors maintain regular, open and collaborative dialogue which they believe is essential to fostering strong relationships and ensuring that all parties are kept informed and listened to.

Insurers, banks and surety providers are provided with regular updates on performance and meetings are held at least annually to receive updates on current performance, budgets and objectives.

Business conduct
The strategic objectives considered by the Board are designed to ensure that the Group maintains the highest standards of business conduct.

The approval of changes to strategies and policies considered most significant in maintaining the highest standards of business conduct are matters reserved for the Board.

During the financial year the Directors considered and approved updates to employment terms and conditions, health, safety and environmental policies, anti-bribery and corruption policies, terms of reference for Board members, modern slavery statement, tax strategy, finance standards and supply chain commercial terms.

By Order of the Board
R. J. Alflatt
Secretary, Drayton, Norwich, NR8 6AH

25 May 2023

REPORT OF THE INDEPENDENT AUDITOR

TO THE MEMBERS OF R. G. CARTER HOLDINGS LIMITED

Opinion
We have audited the financial statements of R. G. Carter Holdings Limited ("the Company") for the year ended 31 December 2022 which comprise the Consolidated Profit and Loss Account, Consolidated Statement of Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Group Statement of Changes in Equity, Consolidated Cash Flow Statement and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 December 2022 and of the Group's profit for the year then ended;

- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern
The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Group or the Company or to cease their operations, and as they have concluded that the Group and the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Group's business model and analysed how those risks might affect the Group and Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;

- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Group or the Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Group or the Company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors and inspection of policy documentation as to the Group's high-level policies and procedures to prevent and detect fraud, including the Group's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.

- Reading Board minutes.

- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks

REPORT OF THE INDEPENDENT AUDITOR

throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that Group management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because there is limited perceived pressure on management to achieve an expected revenue or profit target and limited opportunity to commit fraud.

We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries and other adjustments to test for all full scope components based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to unexpected accounts.

- Evaluated the business purpose of significant unusual transactions.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors and others management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation, taxation legislation, and pension legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, data protection laws, anti-bribery recognizing the governmental nature of many of the Group's customers, employment law, environmental legislation, building regulations and certain aspects of company legislation, recognising the nature of the Group's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.
In addition, as with any audit, there remained a higher risk of non-detection of fraud, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other Information
The directors are responsible for the other information, which comprises the

REPORT OF THE INDEPENDENT AUDITOR

Strategic Report, the Directors' Report and the Chairman's Statement. Our opinion on the financial statements does not cover the other information and we do not express an audit opinion thereon. Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information;
- in our opinion the information given in the other information for the financial year is consistent with the financial statements; and
- in our opinion the other information has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006, we are required to report to you if, in our opinion:

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

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 7, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and 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 they 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

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.

David Johnson
(Senior Statutory Auditor)
for and on behalf of KPMG LLP,
Statutory Auditor
Chartered Accountants
Dragonfly House
2 Gilders Way
Norwich
Norfolk NR3 1UB

5 June 2023

CONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

		2022	2021		
	Note	Total £000's	Continuing £000's	Dis-continued £000's	Total £000's
Turnover	3	**321,980**	251,287	11,097	262,384
Net operating costs	4	**(319,953)**	(241,419)	(10,839)	(252,258)
Group operating profit		**2,027**	9,868	258	10,126
Group share of profit in joint venture	13	**473**	233	—	233
		2,500	10,101	258	10,359
Other operating income	7	**4,164**	2,923	5	2,928
Interest receivable and similar income	8	**405**	85	—	85
Interest payable and similar charges	9	**(5)**	—	—	—
Profit before taxation		**7,064**	13,109	263	13,372
Taxation on profit	10	**(2,602)**	(3,327)	(37)	(3,364)
Profit for the financial year		**4,462**	**9,782**	**226**	**10,008**

The company has elected to take exemption under S408 of the Companies Act 2006 not to present an Income Statement.
The profit for the financial period of the parent company was £0.4m (2021 - £0.4m profit).

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 £000's	2021 £000's
Profit for the financial year		**4,462**	10,008
Actuarial (losses)/gains on defined benefit funds	28	**(9,446)**	3,564
Deferred tax on actuarial (losses)/gains		**2,362**	(722)
Total Comprehensive (loss)/income for the year		**(2,622)**	12,850

Comprehensive income relates wholly to continuing operations.

The notes on pages 21 to 36 form part of these financial statements.

CONSOLIDATED BALANCE SHEET

AT 31 DECEMBER 2022

	Note	2022 £000's	2021 £000's
Fixed assets			
Intangible assets	11	**861**	1,085
Tangible assets	12	**100,006**	100,132
Investment in joint ventures	13	**1,336**	1,432
Other investments	15	**152**	162
		102,355	102,811
Current assets			
Stocks	16	**1,514**	1,349
Debtors: Due within one year	17(i)	**55,400**	49,248
Due after more than one year	17(ii)	**3,052**	5,874
Development properties		**21,921**	31,003
Cash at bank and in hand	18	**74,249**	80,317
		156,136	167,791
Creditors: Amounts falling due within one year	19	**(93,675)**	(113,147)
Net current assets		**62,461**	54,644
Total assets less current liabilities		**164,816**	157,455
Creditors: Amounts falling due after more than one year	20	**(3,029)**	(1,811)
Provisions for liabilities			
Deferred tax	22(i)	**(2,745)**	(2,580)
Other provisions	23	**(24,545)**	(10,056)
Net assets excluding pension scheme liabilities		**134,497**	143,008
Pension fund liability	28	**(1,650)**	(7,539)
Net assets including pension scheme liabilities		**132,847**	135,469
Capital and reserves			
Called up share capital	24	**242**	242
Other reserves	25(i)	**583**	583
Profit and loss account	25(ii)	**132,022**	134,644
Shareholders' funds		**132,847**	135,469

The notes on pages 21 to 36 form part of these financial statements.

The accounts on pages 16 to 37 were approved by the Board and authorised for issue on 25 May 2023.

R. G. Carter

Directors

E. C. Vinters

E. C. Vinters

COMPANY BALANCE SHEET

AT 31 DECEMBER 2022

	Note	2022 £000's	2021 £000's
Fixed assets			
Investments	14	242	242
Current assets			
Debtors: Due within one year	17(i)	23,118	294
Due after more than one year	17(ii)	1,910	22,230
Cash at bank and in hand		178	274
		25,206	22,798
Creditors: Amounts falling due within one year	19	(10)	(6)
Net current assets		25,196	22,792
Total assets less current liabilities		25,438	23,034
Creditors: Amounts falling due after more than one year	20	(15,000)	—
Net assets excluding pension scheme liabilities		10,438	23,034
Pension fund liability	28	(1,650)	(7,539)
Net assets including pension scheme liabilities		8,788	15,495
Capital and reserves			
Called up share capital	24	242	242
Profit and loss account	25(ii)	8,546	15,253
Shareholders' funds		8,788	15,495

The notes on pages 21 to 36 form part of these financial statements.

The accounts on pages 16 to 37 were approved by the Board and authorised for issue on 25 May 2023.

R. G. Carter

Directors

E. C. Vinters

E. C Vinters

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2022

	2022				2021			
	Share capital £000's	Other reserves £000's	Retained earnings £000's	Total equity £000's	Share capital £000's	Other reserves £000's	Retained earnings £000's	Total equity £000's
The Group								
At 1 January	242	583	134,644	135,469	242	583	121,794	122,619
Comprehensive income for the year								
Profit for the year	–	–	4,462	4,462	–	–	10,008	10,008
Actuarial gains/(losses) on defined benefit funds net of deferred tax	–	–	(7,084)	(7,084)	–	–	2,842	2,842
Total Comprehensive (loss)/income for the year	–	–	(2,622)	(2,622)	–	–	12,850	12,850
Balance at 31 December	242	583	132,022	132,847	242	583	134,644	135,469

The Company	2022 Share capital £000's	2022 Retained earnings £000's	2022 Total equity £000's	2021 Share capital £000's	2021 Retained earnings £000's	2021 Total equity £000's
At 1 January	242	15,253	15,495	242	12,053	12,295
Comprehensive income for the year						
Profit for the year	—	377	377	—	358	358
Actuarial (losses)/gains on defined benefit funds net of deferred tax	—	(7,084)	(7,084)	—	2,842	2,842
Total Comprehensive (loss)/income for the year	—	(6,707)	(6,707)	—	3,200	3,200
Balance at 31 December	242	8,546	8,788	242	15,253	15,495

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2022

	2022	2021
	£000's	£000's
Cash flows from operating activities		
Profit for the financial year	4,462	10,008
Adjustments for:		
Depreciation of tangible assets	4,058	4,311
Amortisation of intangible assets	209	472
Movement on pension liability	(1,487)	(68)
Payment of pension liabilities	(13,848)	—
Gains on disposal of tangible assets	(1,225)	(6,339)
Losses on disposal of intangible assets	52	—
Share of operating profits in joint venture	(223)	(233)
Interest receivable and similar income	(405)	(85)
Interest payable and similar expenses	5	—
Income from trade investments	(5)	—
Loss on disposal of subsidiary	35	—
Tax on profit	2,602	3,364
Changes in:		
(Increase)/decrease in stock and development property	(548)	(2,464)
(Increase)/decrease in trade and other debtors	(3,529)	(13,135)
Increase/(decrease) in trade and other creditors	(8,066)	10,375
Increase/(decrease) in provisions	14,489	10,056
Cash (used)/generated from operations	(3,424)	16,262
Tax paid	(1,692)	(745)
Net cash from operating activities	(5,116)	15,517
Cash flows from investing activities		
Interest paid	(5)	—
Interest received and similar income	405	85
Income from trade investments	15	—
Proceeds from sale of subsidiary	1,127	—
Purchase of tangible assets	(4,689)	(2,990)
Disposal of tangible assets	1,982	7,929
Purchase of intangible assets	(37)	(222)
Dividend received from joint venture	250	—
Net cash (used)/generated investing activities	(952)	4,802
Net (decrease)/increase in cash and cash equivalents	(6,068)	20,319
Cash and cash equivalents at the beginning of the year	80,317	59,998
Cash and cash equivalents at the end of the year	74,249	80,317

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(i) General Information

R. G. Carter Holdings Limited is a private company limited by shares and incorporated, domiciled and registered in England, in the UK. The registered number is 05906053 and the registered address is Drayton, Norwich, Norfolk, NR8 6AH.

The Group and Company's principal activities and nature of operations are disclosed in the Directors report.

(ii) Basis of preparation of the Accounts

The Group and Parent Company Accounts have been prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

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

Going Concern

The financial statements have been prepared on a going concern basis which the Directors consider to be appropriate. The current economic climate and war in Ukraine over the last 12 months have led to soaring inflation and interest rates. This has impacted our costs but has been considered in the forecast for the period of at least 12 months from the date of approval of the financial statements. The economic climate appears to be easing as the construction sector heads into a recession, allowing us to have more certainty on costs although some products and materials are still hard to obtain due to supply issues.

The Directors continue to monitor the effects of inflation, interest rates and availability of materials and labour on the business.

The Directors have conducted a reverse stress test on the ability of the business to continue as a going concern, which assumes that the Group generates no revenue and assumes no changes to the fixed cost base for a period of at least 12 months from the date of approval of the financial statements. This shows that even when applying the reverse stress test scenario, the Group would still be able to meet its liabilities as they fall due for the forecast period.

The Group had significant cash reserves of £74.2m as at 31 December 2022. The Group has no external borrowings and the Directors continue to manage the business prudently.

Consequently, the Directors are confident that the Group and Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Presentation of construction contracts

During the year the presentation of payments received on account and provisions were revised to better align with the reporting requirements of FRS 102.

The impact of this on the financial statements in the current year is as follows:

	£000's Increase/(decrease)
Payments received on account	(7,479)
Provisions	7,479

All adjustments have taken place during the year, as the amounts were not deemed material to represent in the prior year.

(iii) Reduced disclosures

In accordance with FRS102, the Company has taken advantage of the exemptions from the following disclosure requirements:

Section 7 'Statement of Cashflows', Presentation of Cashflow, related notes and disclosures.

Section 11 'Basic Financial Instruments' & section 12 'Other Financial Instrument Issues' - Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values and recognised in profit and loss and in other comprehensive income. Section 33 'Related Party Disclosures' - Compensation for key management personnel.
In accordance with Section 408 of the Companies Act 2006 R. G. Carter Holdings Limited is exempt from the requirement to present its own profit and loss account. In accordance with the exemption available, transactions with wholly owned entities that are part of the R. G. Carter Holdings Limited are not disclosed.

(iv) Consolidation

The consolidated Accounts comprise those of the Company and all its subsidiary undertakings made up to 31 December each

NOTES TO THE ACCOUNTS CONTINUED

FOR THE YEAR ENDED 31 DECEMBER 2022

Accounting policies (continued)

year using the acquisition method of accounting where required. The financial transactions between member undertakings of the Group are eliminated.

(v) Joint Ventures

The Group profit includes the Group's share of results of its joint ventures based on their latest available Accounts. The consolidated balance sheet shows the investments in joint ventures at cost plus the share of post acquisition retained profits and reserves attributable to the Group's interest therein.

(vi) Turnover

Turnover represents the value of work done and goods sold together with amounts receivable for services provided and excludes inter-company transactions, value added tax and trade discounts.
Turnover includes the value of short and long term contracts carried out during the year from a variety of commercial projects. Invoices for short term contracts are raised as the work progresses and turnover is recognised accordingly. Turnover for long term contracts is measured as costs incurred to their stage of completion plus attributable profit. The amount of profit attributable to the stage of completion of each long term contract is calculated and recognised when the outcome can be foreseen with reasonable certainty. Provision is made for any losses which are foreseen, these are recognised in net operating costs. Profits from property held for re-sale are taken to the profit and loss account at the related date of legal completion.

(vii) Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Profit and Loss Account in the same period as, but seperate to, the related expenditure.

(viii) Interest income

Interest income is accrued on a time-apportioned basis, by reference to the principal outstanding at the effective interest rate.

(ix) Intangible assets

Intangible assets (software development) are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight line method.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed five years.

(x) Tangible fixed assets

Tangible fixed assets are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The cost of replacing a tangible fixed asset is added to tangible fixed assets when that cost is incurred if the replacement part is expected to provide incremental future benefits to the Group. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit and loss during the period in which they are incurred.
Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight line method. The estimated useful lives range is as follows:

Freehold property
- 2% per annum

Short leasehold properties
- over the period of the lease

Plant and equipment
- 7% to 33%

Vehicles, fixtures and fittings
- 15% to 33%

Land is not depreciated

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, or if there is an indication of a significant change since the last reporting date. Gains and losses on disposal are determined by comparing the proceeds with the carrying amount and are recognised within the profit and loss account.

(xi) Valuation of investments

Investments in subsidiaries are measured at cost less any accumulated impairment losses.

NOTES TO THE ACCOUNTS CONTINUED

FOR THE YEAR ENDED 31 DECEMBER 2022

Accounting policies (continued)

Interests in subsidiaries are assessed for impairment at each reporting date. Listed Investments are measured at cost less impairment.

(xii) Stock is valued at the lower of cost and net realisable value.

Cost comprises direct materials and, where applicable, direct labour costs and attributable overheads that have been incurred in bringing the stocks to their present location and condition.

Net realisable value is the estimated selling price less all costs to complete and sell. At each reporting date, the Group assesses whether stocks are impaired and if required an impairment loss is recognised in the profit and loss account.

Site huts and scaffolding are treated as trading items and written down over a period of three years.

(xiii) Development properties

Properties held for resale in stock are stated at the lower of cost and realisable value, cost including the cost of land, development expenditure and related outlays. Interest charges during the period of development are written off in the profit and loss account in the year in which incurred.

(xiv) Construction contracts

(i) Contracts in progress are stated at prime cost plus contracting overheads, account being taken of profits accrued to date on long term contracts and provision for losses, including estimated future losses, being deducted where appropriate.

(ii) Contracts awarded since the year end but for which there has been prior agreement to tender are included in contracts in progress and, where appropriate, provisions have been made in respect of any losses anticipated on such contracts.

(iii) Claims receivable arising on contracts are normally taken to profit when agreed and paid.

(iv) Progress payments received and receivable attributable to the value of contracts are deducted in presenting the amounts recoverable on contracts in the accounts. Progress payments and amounts in excess of contract values are stated separately.

(v) The gross amounts due from customers for contract work are presented as amounts recoverable on contracts within debtors. The gross amounts due to customers for contract work are presented as payments on account within creditors.

(xv) Financial instruments

The Group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' of FRS 102, in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when the Group becomes constructively bound and are offset where the Group currently has a legal enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(xvi) Cash and cash equivalents

Cash and cash equivalents include cash and deposit accounts with a short maturity of twelve months or less from the date of deposit that are subject to an insignificant risk of change in value.

(xvii) Debtors

Trade debtors which are receivable within one year are measured at the transaction price less any impairment losses.

A provision for potential bad debts is established and recognised in the profit and loss account when the objective evidence indicates that the amounts due will not be collected according to the original terms of the contract.

(xviii) Creditors

Trade creditors payable within one year are measured at the transaction price less any amounts settled.

(xix) Provisions

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation. Provisions are charged as an expense to profit or loss in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties. When payments are eventually made, they are charged to the provision carried in the profit and loss account.

(xx) Pensions

For defined benefit schemes the amount charged to the profit and loss account in respect of pension costs and other post retirement benefits is the estimated regular cost of providing the benefits accrued in the year, adjusted to reflect variations from that cost. The interest cost and expected return on assets are included within other finance costs.
Actuarial gains and losses arising from new valuations and from

NOTES TO THE ACCOUNTS CONTINUED

FOR THE YEAR ENDED 31 DECEMBER 2022

Accounting policies (continued)

updating valuations to the balance sheet date are recognised in other comprehensive income. Defined benefit schemes are funded, with the assets held separately from the Group in separate trustee administered funds. Full actuarial valuations, by a professionally qualified actuary, are obtained at least every three years, and updated to reflect current conditions at each balance sheet date. The pension scheme assets are measured at fair value. The pension scheme liabilities are measured using the projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency. A pension scheme asset is recognised on the balance sheet only to the extent that the surplus may be recovered by reduced future contributions or to the extent that the trustee has agreed a refund from the scheme at the balance sheet date. A pension scheme liability is recognised to the extent that the Group has a legal or constructive obligation to settle the liability.

For defined contribution schemes the amount charged to the profit and loss account in respect of pension costs and other post retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

(xxi) Taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the profit and loss account, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Group operates and generates income.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- the recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2 Judgements in applying accounting policies and key sources of estimation uncertainty

In the application of the Group's accounting policies, the Directors are required to make judgements, estimates and assumptions. The estimates and associated assumptions are based on historical experiences and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or if the period of revisions and future periods of the revision affects both the current and future periods.

Using the information available at the balance sheet date, the Directors make judgements based on experience on the level of provisions required for impairment of trade debtors. Further information received after the balance sheet date may impact on the level of provisions required.

The Directors also make judgements regarding construction contracts in accordance with the accounting policy Construction Contracts noted above. These include assessment of profits, losses and the timing of contract completion.

The present value of the pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. Any changes in these assumptions will impact the carrying amount of pension obligations and the Group determines the appropriate assumptions at the end of each year. Additional information is disclosed in note 28.

The Directors make judgements with regards to the classification of property as fixed assets, investment property or development, which reflects the Group's intentions for the properties.

3 Turnover

Group turnover arose within the United Kingdom and was derived directly from construction and property development activities. Accordingly no segmental information is required to be given.

NOTES TO THE ACCOUNTS CONTINUED

FOR THE YEAR ENDED 31 DECEMBER 2022

4 Net operating costs		2022 £000's	2021 £000's
a) Materials, site and production costs		255,937	194,965
Staff costs (notes 5 and 6)		40,850	40,314
Depreciation		4,058	4,311
Amortisation		209	472
Profit on disposal of tangible fixed assets		(1,225)	(6,339)
Other operating charges:			
Plant hire		6,545	5,008
Auditor's remuneration – audit fees – KPMG LLP	– Company	128	175
	– Subsidiaries	264	220
	– Prior year fees	98	—
Other charges		13,089	13,132
		319,953	252,258

5 Staff costs and numbers	2022 £000's	2021 £000's
(i) Employee costs for the year, inclusive of Directors' remuneration, were:		
Wages and salaries	34,546	32,079
Social security costs	4,206	3,581
Other pension costs, including Group pension schemes (note 28)	1,569	3,721
	40,321	39,381
Other employee costs	529	933
	40,850	40,314

(ii) The average monthly number of persons employed by the Group during the year was:	2022	2021
Direct site and production	407	344
Administration and supervision	393	418
Directors	7	7
	807	769

No employees in the Company therefore no staff costs and numbers disclosed

6 Emoluments of Directors	2022 £000's	2021 £000's
The Directors' aggregate remuneration in respect of qualifying services was:		
Directors' emoluments	1,423	1,087
Company contributions to defined contribution pension schemes	102	60
	1,525	1,147

NOTES TO THE ACCOUNTS CONTINUED

FOR THE YEAR ENDED 31 DECEMBER 2022

6 Emoluments of Directors (continued)	2022 £000's	2021 £000's
Remuneration of the highest paid Director in respect of qualifying services:		
Directors' emoluments	**391**	262
Company contributions to defined contribution pension schemes	**19**	—
	410	262
The number of Directors who accrued benefits under company pension plans was as follows:		
Defined contribution plans	**3**	3
These are the same for both the company and the Group.		

7 Other operating income	2022 £000's	2021 £000's
Rent receivable	**2,972**	1,622
Furlough income	**—**	81
Government grants received	**33**	—
Loss on disposal of investment in subsidiary	**(35)**	—
Insurance receipt	**440**	—
Other operating income	**754**	1,225
	4,164	2,928

8 Interest receivable and similar income	2022 £000's	2021 £000's
Interest receivable	**405**	85

9 Interest payable and similar charges	2022 £000's	2021 £000's
Interest on bank overdrafts	**5**	—

10 Taxation	2022 £000's	2021 £000's
(a) Analysis of charge for the year		
Current tax:		
UK corporation tax on profit for the year	**234**	1,773
Adjustments in respect of previous years	**(228)**	(210)
	6	1,563
Joint venture	**69**	—
Total current tax charge	**75**	1,563
Deferred tax:		
Origination and reversal of timing differences	**2,352**	1,613
Adjustment in respect of previous years	**175**	188
Total deferred tax charge (note 22)	**2,527**	1,801
Tax on profit	**2,602**	3,364

NOTES TO THE ACCOUNTS CONTINUED

FOR THE YEAR ENDED 31 DECEMBER 2022

10 Taxation (continued)	2022 £000's	2021 £000's
(b) Reconciliation of effective tax rate The tax assessed for the year is higher than (2021 - higher than) expected using the average rate of corporation tax in the UK of 19.00% (2021 – 19.00%). The differences are explained below:		
Profit before tax	**7,064**	13,372
Profit multiplied by the average rate of corporation tax in the UK of 19.00% (2021 – 19.00%)	**1,342**	2,541
Expenses not deductible for tax purposes	**152**	210
Movement on other timing differences	**1,105**	106
Adjustments to tax charge in respect of previous years	**(53)**	(22)
Claims for rollover relief	***56***	—
Increase in rate of deferred tax balances	—	529
Total tax charge included in profit or loss	**2,602**	3,364

(c) Factors that may affect future tax charges

On 24 May 2021 an increase to the UK tax rate to 25% from 1 April 2023 was substantively enacted. This will have a consequential effect on the Group's future tax charge.
The deferred tax balances have been calculated at the balance sheet date using the rate of 25% (2021 - 25%).

11 Intangible fixed assets	Quarry development costs £000's	Software development costs £000's	Total £000's
The Group			
Cost			
At 1 January 2022	325	1,829	2,154
Additions	37	—	37
Disposals	—	(52)	(52)
At 31 December 2022	362	1,777	2,139
Amortisation			
At 1 January 2022	33	1,036	1,069
Amortisation in year	33	176	209
At 31 December 2022	66	1,212	1,278
Net book value			
At 31 December 2022	296	565	861
At 31 December 2021	292	793	1,085

Quarry development costs relate to professional spend on planning permission for a quarry extension which was received in 2020.
Software development costs comprise a software asset relating to the Group's Operational Management System and ERP system.
There were no intangible fixed assets held by the Company at 31 December 2022 (2021 – £nil).

NOTES TO THE ACCOUNTS CONTINUED

FOR THE YEAR ENDED 31 DECEMBER 2022

12 Tangible fixed assets — **The Group**

	Land and Buildings Freehold £000's	Plant and Equipment £000's	Vehicles, Fixtures and Fittings £000's	Total £000's
Cost:				
At 1 January 2022	**103,618**	**17,479**	**12,570**	**133,667**
Additions	**2,238**	**1,804**	**647**	**4,689**
Disposals	**(225)**	**(1,506)**	**(3,104)**	**(4,835)**
At 31 December 2022	**105,631**	**17,777**	**10,113**	**133,521**
Depreciation:				
At 1 January 2022	**13,269**	**11,120**	**9,146**	**33,535**
Charge for the year	**1,336**	**1,539**	**1,183**	**4,058**
On disposals	**(20)**	**(1,319)**	**(2,739)**	**(4,078)**
At 31 December 2022	**14,585**	**11,340**	**7,590**	**33,515**
Net book value				
At 31 December 2022	**91,046**	**6,437**	**2,523**	**100,006**
At 31 December 2021	**90,349**	**6,359**	**3,424**	**100,132**

The amount included in the cost of freehold properties above in respect of which depreciation is being provided was £60,132,000 (2021 - £40,092,000).
There were no tangible fixed assets held by the Company at 31 December 2022 (2021 - £nil).

13 Investments in joint ventures

	Joint ventures £000's
(i) The Group	
Cost or value at 1 January 2022	**1,432**
Share of profit retained by joint ventures (before taxation)	**473**
Dividend paid	**(500)**
Taxation thereon	**(69)**
Cost or value at 31 December 2022	**1,336**

The investment in the joint ventures is represented by:	2021 £000's	2022 £000's
Shares at cost	**11**	11
Share of post acquisition retained profits	**1,325**	1,421
	1,336	1,432

NOTES TO THE ACCOUNTS CONTINUED

FOR THE YEAR ENDED 31 DECEMBER 2022

14 Investments in subsidiaries	**2022** £000's	**2021** £000's
(i) The Company		
Shares in subsidiary undertakings at cost	**242**	242

Particulars of the Company's present trading subsidiaries and joint ventures are given at page 37.
On 14 December 2022, the Group disposed of its 100% investment in Wensum Homes Limited, for cash consideration of £1,183,000. This amount was assessed as the fair value of the Company, which also equated to its book value.

15 Other investments	Listed trade investments £000's
(i) The Group	
Cost or value at 1 January 2022	162
Revaluation	(10)
Cost or value at 31 December 2022	152

At 31 December 2022 the fair value of listed trade investments was £332,000 (2021 – £342,000).

16 Stocks	**2022** £000's	**2021** £000's
The Group		
Trading stocks	**1,514**	1,349

The Company had no trading stocks (2021 - £nil)

17 Debtors	**The Group**		**The Company**	
	2022 £000's	**2021** £000's	**2022** £000's	**2021** £000's
(i) Amounts falling due within one year:				
Trade debtors	**26,257**	32,023	—	—
Other debtors	**10,853**	1,756	—	—
Amounts owed by related undertakings	—	—	**22,395**	—
Amounts recoverable on contracts	**12,708**	10,786	—	—
Prepayments and accrued income	**3,345**	2,288	—	—
Corporation tax receivable	**2,237**	2,395	**723**	294
	55,400	49,248	**23,118**	294
(ii) Amounts falling due after more than one year:				
Amounts owed by related undertakings	—	2,543	—	20,645
Amounts recoverable on contracts	**3,052**	3,331	—	—
Deferred tax asset (note 22)	—	—	**1,910**	1,585
	3,052	5,874	**1,910**	22,230
	58,452	55,122	**25,028**	22,524

NOTES TO THE ACCOUNTS CONTINUED

FOR THE YEAR ENDED 31 DECEMBER 2022

18 Group bank account and overdrafts

	2022 £000's	2021 £000's
Cash at bank and in hand	**74,249**	80,317
	74,249	80,317

R. G. Carter Group Limited in conjunction with Bullen Developments Limited and Drayton Farms Group Limited, has jointly and severally entered into a bank guarantee in respect of their joint overdraft facility. There was no overdraft on this account at 31 December 2022 (2021 - £nil).

The Group also operates separate bank accounts for its trading divisions in the names of the R. G. Carter Construction Group and the Drayton Building Services Group. As a result R. G. Carter Construction Limited and Drayton Building Services Limited, in conjunction with their respective subsidiary undertakings, have jointly and severally entered into bank guarantees in respect of the overdraft facilities of their respective Groups. Due to the right of set off, there is no net overdrawn balance within either of these Groups.

19 Creditors: Amounts falling due within one year

	The Group		The Company	
	2022 £000's	2021 £000's	2022 £000's	2021 £000's
Progress payments and amounts in excess of contract values	**36,678**	37,162	—	—
Trade creditors (including retentions of £11.0m (2021 - £9.9m))	**22,479**	42,781	—	—
Other taxes and social security	**6,776**	10,579	—	—
Other creditors	**2,537**	2,147	—	—
Accruals	**23,657**	17,099	**10**	6
Corporation Tax	**1,548**	3,379	—	—
	93,675	113,147	**10**	6

20 Creditors: Amounts falling due after more than one year

	The Group		The Company	
	2022 £000's	2021 £000's	2022 £000's	2021 £000's
Trade creditors (retentions)	**2,935**	1,811	—	—
Amounts owed to related undertakings	—	—	**15,000**	—
Accruals and deferred income	**94**	—	—	—
	3,029	1,811	**15,000**	—

NOTES TO THE ACCOUNTS CONTINUED

FOR THE YEAR ENDED 31 DECEMBER 2022

21 Financial instruments

	The Group		The Company	
	2022	**2021**	**2022**	**2021**
	£000's	£000's	£000's	£000's
The carrying amount for each category of financial instrument is as follows:				
Financial assets carried at fair value through profit or loss				
Total	**152**	162	**—**	—
Financial assets that are debt instruments measured at amortised cost				
Total	**112,330**	118,460	**7,815**	21,161
Financial liabilities measured at amortised cost				
Total	**49,155**	61,684	**10**	6

22 Deferred tax

	2022	**2021**
	£000's	£000's
(i) The Group		
Balance at 1 January 2022	**(2,580)**	(55)
Deferred tax charge in profit and loss account for the year	**(2,527)**	(1,803)
Deferred tax included in other comprehensive income	**2,362**	(722)
Balance at 31 December 2022	**(2,745)**	(2,580)
The provision for deferred taxation is made up as follows:		
Capital allowances	**(1,057)**	(660)
Short term timing differences	**(2,285)**	(262)
Pension scheme deficit	**1,915**	1,585
Claims for rollover relief	**(106)**	(1,721)
Other timing differences	**(1,212)**	(1,522)
	(2,745)	(2,580)

A deferred tax asset, relating to fixed asset timing differences of £1,251,000 (2021- £973,000) has not been recognised as, for the foreseeable future, it is unlikely it will be recovered against the reversal of deferred tax liabilities or other taxable profits.

(ii) The Company	**2022**	**2021**
	£000's	£000's
Balance at 1 January 2022	**1,585**	2,137
Deferred tax (charge)/credit in profit and loss account for the year	**(2,037)**	170
Deferred tax included in other comprehensive income	**2,362**	(722)
Balance at 31 December 2022	**1,910**	1,585
The provision for the deferred taxation asset is made up as follows:		
Pension scheme deficit	**1,910**	1,585
	1,910	1,585

NOTES TO THE ACCOUNTS CONTINUED

FOR THE YEAR ENDED 31 DECEMBER 2022

23 Provisions

	Provisions for long term contracts £000's
The Group	
Balance at 1 January 2022	10,056
Additions	20,295
Released in the year	(5,806)
Balance at 31 December 2022	**24,545**

Provisions for long term contracts include loss provisions, and defect and warranty provisions on construction contracts. There is a latent defect period for which the provision is held, but where there are known identified issues then the provision may be required to cover rectification work over a more extended period.

24 Share capital

	2022 £000's	**2021** £000's
Ordinary shares		
Issued and fully paid: 967,229 - 25p shares	**242**	242

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

25 Reserves

(i) Other reserves represents a capital reserve.

(ii) Group and Company retained earnings represent cumulative profits, losses net of distributions to the shareholder and actuarial movements on defined benefit pensions.

26 Analysis of changes in net debt

	At 1 January 2022 £000's	Cash flows £000's	**At 31 December 2022 £000's**
Cash at bank and in hand	80,317	(6,068)	**74,249**

NOTES TO THE ACCOUNTS CONTINUED

FOR THE YEAR ENDED 31 DECEMBER 2022

27 Contingent liabilities

Certain of the Company's subsidiary undertakings were contingently liable in respect of bank and other facilities referred to at note 18.

Certain of the Company's subsidiary undertakings are also contingently liable in respect of any claims which may arise out of performance bonds and other arrangements entered into in the ordinary course of business.

For the year ended 31 December 2022, certain subsidiary undertakings are exempt from the Companies Act 2006 requirements relating to the audit of their individual accounts by virtue of Section 479A of the Act. This company has guaranteed certain subsidiary undertakings under Section 479C of the Act. Details of these can be found on page 37.

28 Retirement benefits

Defined Contribution Pension Scheme

The Group operates a defined contribution pension scheme for the benefit of certain Directors and designated site and staff positions. The assets are held independently from those of the Group in individual members funds. The Group's contribution charged for the year to 31 December 2022 was £3,056,000 (2021 - £2,798,000).

Defined Benefit Pension Scheme

The Group operates a defined benefit pension scheme, that is closed to future accrual, covering Directors and designated site and staff positions throughout Group undertakings and which provides benefits based on final pensionable salary. The assets of the scheme are invested separately from those of the Group designed to secure the benefits accruing to members of the scheme. The Group has provided a guarantee to the pension scheme to the value of 105% of the funding deficit.

The vast majority of the Scheme's liabilities were secured with an insurance company on 29 March 2022. Uninsured liabilities still remain in relation to the salary link for members still employed by the Company and some benefits in respect of equalisation that are still being quantified. The objective of this transaction was to remove the majority of the investment and demographic risk from the Scheme. Given that employed members are continuing to accrue benefits in relation to their salary link, the Company considers that the liabilities have not been fully settled and so the investment loss arising from the transaction has been recognised in OCI. On 23 March 2022, the Trustees of the defined benefit pension scheme agreed the purchase of an insurance contract for all pension liabilities at a premium of £13.6m above the asset value of the scheme.

A full actuarial valuation of the Fund was carried out as at 31 December 2019 and has been updated to 31 December 2022 by a qualified independent actuary.

The major assumptions used by the actuary were (in nominal terms) as follows:

	2022	2021
Discount rate	4.85%	1.80%
RP Iinflation	3.35%	3.60%
CPI inflation	2.50%	2.75%
Rate of increase in salaries	3.35%	3.60%
RPI max 5%p.a. pension increase	3.30%	3.55%
Cash commutation	Maximum permitted under HMRC limits	Maximum permitted under HMRC limits

	2022	2021
Assumed life expectancies on retirement at age 65 are:		
Retiring today - Males	22.0	22.1
Retiring today - Females	24.2	24.4
Retiring in 20 years time - Males	23.3	23.4
Retiring in 20 years time - Females	25.6	25.8

NOTES TO THE ACCOUNTS CONTINUED

FOR THE YEAR ENDED 31 DECEMBER 2022

28 Retirement benefits (continued)

	2022 £000's	2021 £000's
The assets in the Fund were:		
Property	—	—
Diversified Growth	—	—
Diversified Credit	—	12,000
Equity-linked LDI	—	—
Liability driven investments	—	11,515
Cash	258	17,285
Insured annuity contracts	42,833	18,064
Fair value of Fund assets	**43,091**	**58,864**

Pre retirement mortality rates:
The following mortality rates represent the probability of a person dying within one year

Age	Males	Females
30	0.0003	0.0002
40	0.0005	0.0003
50	0.0011	0.0009
60	0.0033	0.0024

The net pension liability that is recognised in the Group's balance sheet as at 31 December 2022 and 31 December 2021 is as follows:

	2022 £000's	2021 £000's
Total market value of assets	43,091	58,864
Present value of funded obligations	(44,741)	(66,403)
Deficit in the scheme	(1,650)	(7,539)
Related deferred tax asset (note 22)	1,910	1,585
Net pension asset/(liability)	**260**	**(5,954)**

Reconciliation of opening and closing balances of the present value of the defined benefit obligation

	2022 £000's	2021 £000's
Benefit obligation at beginning of year	66,403	69,628
Interest cost	1,170	784
Actuarial (gains)/losses	(18,617)	(1,133)
Benefits paid	(2,778)	(2,876)
Change to revaluation	(1,437)	—
Closing defined benefit obligation at end of year	**44,741**	**66,403**

NOTES TO THE ACCOUNTS CONTINUED

FOR THE YEAR ENDED 31 DECEMBER 2022

28 Retirement benefits (continued)

Reconciliation of opening and closing balances of the fair value of Fund assets

	2022 £000's	2021 £000's
Fair value of Fund assets at beginning of year	58,864	58,456
Interest income on Fund assets	1,220	661
Return on assets, excluding interest income	(28,063)	1,631
Contributions by employers	13,848	992
Benefits paid	(2,778)	(2,876)
Fair value of Fund assets at end of year	**43,091**	**58,864**

The amounts recognised in profit or loss is:

	2022 £000's	2021 £000's
Service cost - inc. current & past service costs, settlements	–	–
Net interest on the net defined benefit liability	*(50)*	*123*
Barber equalisation	–	800
Change to revaluation	(1,437)	–
Total (income)/expense	**(1,487)**	**923**

Remeasurements of the net defined benefit asset/(liability) shown in other comprehensive income is:

	2022 £000's	2021 £000's
Actuarial gains/(losses) on the liabilities	18,617	1,933
Return on assets, excluding interest income	(28,063)	1,631
Total remeasurement of the net defined benefit asset/(liability) in OCI	**(9,446)**	**3,564**

Estimation of next period's profit or loss

	2023 £000's	2022 £000's
Service cost - inc. current & past service costs, settlements	–	–
Service cost - administrative cost	–	–
Net interest on the net defined benefit liability	80	100
Total expense	**80**	**100**

29 Capital commitments

	2022 £000's	2021 £000's
At 31 December the Group had outstanding commitments for capital expenditure of	3	731

The Company had no outstanding commitments for capital expenditure at either year end.

NOTES TO THE ACCOUNTS CONTINUED

FOR THE YEAR ENDED 31 DECEMBER 2022

30 Commitments under operating leases

At 31 December 2022 the Group had future minimum lease payments under non-cancellable operating leases as follows:

	2022	2021
	£000's	£000's
Not later than 1 year	968	11
Later than 1 year and not later than 5 years	2,379	33
	3,347	44

The Company held no lease agreements at either year end.

31 Related party transactions

The Group holds a 50% beneficial interest in the issued share capital of C.& H. Quick-Mix Limited. During the year the Group made purchases of £315,000 (2021 - £202,000) from, and sales of £259,000 (2021 - £Nil) to C. & H. Quick-Mix Limited. At 31 December 2022 the Group was owed £3,000 (2021 - £Nil) by and owed £1,000 (2021 - £17,000) to C. & H. Quick-Mix Limited. Throughout the year C. & H. Quick-Mix Limited has operated from two sites owned by the Group which have been occupied at a rent of £65,000 per annum (2021 - £55,000).

During the year the Group made sales to a company under the control of Mr R. G. Carter, to the value of £135,000 (2021 - £445,000). At 31 December 2022 an amount of £10,000 (2021 - £338,000) remained outstanding from the related party. In addition to this, an amount of £nil (2021 - £2,521,000) was loaned to the related party at an interest rate of 2.25% above base rate.

Included in other debtors in note 17(i) is a loan of £8,228,000 (2021 - £nil) which is due from a company under the control of Mr R. G. Carter. This is an informal loan, with no repayment terms or interest.

During the year the Group made sales to a company under the control of a close relative of Mr R. G. Carter, to the value of £30,000 (2021 - £148,000). There was no outstanding balance at the year end (2021 - £nil).

The Group provided rent free office space to Priscilla Bacon Norfolk Hospice Care Limited during the year. The estimated fair value of this is £12,000 (2021 - £12,000). Sales of £9,000 were also made during the year (2021 - £nil) to the charity, of which Mr R. G. Carter is a trustee. At 31 December 2022, £3,000 was owed to the Group (2021 - £nil).

During the year, the Group paid rent of £13,000 (2021 - £13,000) to certain trusts, of which Mr R. G. Carter is a trustee.

As referred to in note 14, the Group sold its investment in Wensum Homes Limited during the year. The sale was made to a company under the control of Mr R. G. Carter.

The R G Carter Limited and Associated Companies Pension Fund is also considered to be a related party. Further information in respect of transactions during the year are shown in note 28.

32 Post balance sheet events

There were no post balance sheet events.

33 Ultimate controlling party

The ultimate controlling party is Mr R. G. Carter who, through his beneficial and trustee shareholdings, holds 100% of the issued share capital of the Company.

PRINCIPAL SUBSIDIARY AND ASSOCIATED UNDERTAKINGS

FOR THE YEAR ENDED 31 DECEMBER 2022

All subsidiary undertakings are wholly owned and incorporated in England and Wales, registered office of 9/11 Drayton High Road, Drayton, Norwich, Norfolk NR8 6AH. There are 51 dormant entities which are not trading and have been excluded from the consolidation on the basis of materiality. All the subsidiary entities listed below are included in the consolidation.

	Company	Registration number	Parent guarantee given	Principal activity
(i)	**Subsidiary undertakings of R. G. Carter Holdings Limited**			
	R. G. Carter Group Limited	00925049	1	Intermediate holding company
(ii)	**Subsidiary undertakings of RG Carter Group Limited**			
	RGCC Limited	10533619	1	Intermediate holding company
	Bullen Developments Limited	01005917	1	Property development
	Drayton Farms Group Limited	04874540	1	Farming and intermediate holding company
(iii)	**Subsidiary undertakings of RGCC Limited**			
	R. G. Carter Construction Limited	03284871	No	Intermediate holding company
	Drayton Building Services Limited	03292411	1	Intermediate holding company
(iv)	**Subsidiary undertakings of R. G. Carter Construction Limited**			
	R. G. Carter Limited	00270273	No	Construction, based at Norwich
	R. G. Carter Lincoln Limited	01685443	No	Construction, based at Lincoln
	R. G. Carter Cambridge Limited	03879910	No	Construction, based at Cambridge, Thetford, Northampton and King's Lynn
	R. G. Carter Southern Limited	04768800	No	Construction, based at Ipswich and Chelmsford
	FisherBullen Limited	00381800	2	Construction, based at Fakenham
	John Youngs Limited	00138213	2	Construction, based at Norwich
	Carter Homes Limited	07384598	2	Construction, based at Norwich
	Central Trades Limited	05401085	2	Construction, based at Norwich
	R. G. Carter Projects Limited	01916420	No	Construction, based at Bury St Edmunds and Peterborough
	R. G. Carter Technical Services Limited	02077392	2	Construction related advisory services
(v)	**Subsidiary undertakings of R. G. Carter Technical Services Limited**			
	R. G. Carter Engineering Limited	08272192	2	Intermediate holding company
	R. G. Carter Civil Engineering Limited	03787866	2	Civil engineering (subsidiary of R. G. Carter Engineering Limited)
	G. M. Piling Limited	07492390	2	Piling (subsidiary of R. G. Carter Engineering Limited)
	Ground Technology Services Limited	07626738	2	Site investigation and ground analysis (subsidiary of R. G. Carter Engineering Limited)
	Central Garages Limited	05906074	2	Vehicle lease and maintenance
(vi)	**Subsidiary undertakings of Drayton Building Services Limited**			
	Youngs Doors Limited	01944848	1	Manufacture of doors and bespoke joinery
	Drayton Windows Limited	03284808	1	Manufacturing of windows and doors
	Builders Equipment Limited	00638968	1	Building equipment retailer
	Norfolk Gravel Limited	00383484	1	Production of aggregates
	Eyre Building Services Group Limited	00817316	1	Electrical, mechanical contracting and air conditioning
	Sonata Security Limited	04746588	1	Security services
(vii)	**Subsidiary undertaking of Bullen Developments Limited**			
	Norfolk and Norwich Property Company Limited	07982662	1	Property development
	Wensum Developments Limited	10022175	1	Property development
	NRP Car Parking Limited	10694401	1	Multistorey car park
(viii)	**Subsidiary undertaking of Drayton Farms Group Limited**			
	Drayton Farms Limited	00523937	1	Farming
	Burnham Farms Limited	12962422	1	Farming
(ix)	**Joint venture of R. G. Carter Limited – ordinary shares**			
	C. & H. Quick-Mix Limited (50%)	00839216	No	Ready mixed concrete production

1 - guarantee given by R. G. Carter Holdings Limited. 2 - guarantee given by R. G. Carter Construction Limited

GROUP FINANCIAL RECORD

FIVE YEARS ENDED 31 DECEMBER 2022

	2018	2019	2020	2021	2022
SALES AND PROFITS	£000's	£000's	£000's	£000's	£000's
Turnover	269,590	317,219	235,170	262,384	321,980
Trading profit/(loss)	(6,447)	4,228	672	13,139	6,591
Share of results of joint venture	60	65	47	233	473
Profit/(loss) before taxation	(6,387)	4,293	719	13,372	7,064
Taxation	2,063	(1,291)	(70)	(3,364)	(2,602)
Profit/(loss) for the financial year	(4,324)	3,002	649	10,008	4,462
Applicable to:					
Net dividends	—	—	—	—	—
Profit/(loss) retained	(4,324)	3,002	649	10,008	4,462
Minority interest	—	—	—	—	—
ASSETS AND RESERVES					
Tangible and intangible fixed assets	84,952	85,191	104,379	101,217	100,867
Investments	2,330	1,902	1,361	1,594	1,488
Other net assets	32,225	35,304	16,879	32,658	30,492
Net assets	119,507	122,397	122,619	135,469	132,847
Called up share capital	242	242	242	242	242
Group reserves	119,265	122,155	122,377	135,227	132,605
Non-controlling interest	—	—	—	—	—
Capital and reserves	119,507	122,397	122,619	135,469	132,847

Information relating to previous years has been presented in accordance with current accounting practice.

This statement does not form part of the financial statements and has not been audited.