

**REPORT OF THE DIRECTORS AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2013
FOR
RAEBURN ENERGY LIMITED**

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RAEBURN ENERGY LIMITED (REGISTERED NUMBER: SC300309)

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for the Year Ended 31 May 2013**

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RAEBURN ENERGY LIMITED

COMPANY INFORMATION
for the Year Ended 31 May 2013

DIRECTORS:

S G Rowbottom
Z Hussain

SECRETARY:

CLP Secretaries Limited

REGISTERED OFFICE:

Commercial House
2 Rubislaw Terrace
Aberdeen
AB10 1XE

REGISTERED NUMBER:

SC300309

AUDITORS:

Acumen Accountants and Advisors Limited
Statutory Auditors
Bon Accord House
Riverside Drive
ABERDEEN
AB11 7SL

RAEBURN ENERGY LIMITED (REGISTERED NUMBER: SC300309)

REPORT OF THE DIRECTORS
for the Year Ended 31 May 2013

The directors present their report with the financial statements of the company and the group for the year ended 31 May 2013.

PRINCIPAL ACTIVITY

The principal activity of the group in the year under review was that of operating an employment business/agency providing temporary and permanent staff to commercial and professional businesses.

REVIEW OF BUSINESS

Raeburn Energy Limited is the parent company of Raeburn Group Limited from whom it receives fees for the provision of management services. Therefore the main risk facing the company is the performance of its subsidiary undertaking.

Raeburn Group Limited provides personnel solutions in a variety of sectors, these include Oil and Gas, Commercial and Healthcare. Market conditions have allowed growth in personnel and turnover. The personnel numbers exceeded 300 and turnover is now in excess of £36m (2012: exceeds £28m) with a gross profit margin of 9% (2012: 10%).

The overall business showed significant growth from the previous year as a result of improved market conditions, this was assisted by restructuring of the business, revised recruitment processes and implementation of new IT systems. New recruitment consultants and key personnel were also employed, with a clear positive impact on the business.

We consider the key performance indicators to be those which reflect the financial performance and strength of the company as a whole, these being turnover, gross profit margins, net profit before tax and return on capital employed.

As a result of the changes made to the business we anticipate strong growth in turnover and profits in the future. This will include commencement of offices in other geographical locations and diversification into other sectors. We also envisage an increase in profits arising from the Perms business. In the Healthcare business we envisage growth in the private and public sectors, occupational health area and supported by in-house training of carers. We also anticipate growth based on achieving strong ratings from the CQC and excellent reputation for care provision.

EMPLOYEES

Employee Involvement

The group has an active policy of communicating with its staff and keeping employees informed regarding its achievements and prospects. The directors are also committed to developing genuine and effective employee involvement in the group's activities.

Disabled Persons

The group recognises its social and statutory duty to employ disabled persons and pursues a policy of providing, wherever possible, the same employment opportunities to disabled persons as to others.

DIVIDENDS

Interim dividends per share were paid as follows:

0.09	- 15 August 2012
0.15	- 1 November 2012
0.15	- 25 January 2013
<u>0.39</u>	

The directors recommend that no final dividend be paid.

The total distribution of dividends for the year ended 31 May 2013 will be £378,000.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 June 2012 to the date of this report.

S G Rowbottom
Z Hussain

POLITICAL AND CHARITABLE CONTRIBUTIONS

The following charitable donations were made during the year:

Cash for Kids	£1,000	Supporting disadvantaged children in the local area
Alzheimer Scotland	£1,000	Supporting people with dementia
Comic Relief	£140	Removing poverty from the world
Children in Need	£316	Changing the lives of disabled and young people in the UK

RAEBURN ENERGY LIMITED (REGISTERED NUMBER: SC300309)

REPORT OF THE DIRECTORS
for the Year Ended 31 May 2013

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

AUDITORS

The auditors, Acumen Accountants and Advisors Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



Z Hussain - Director

5 February 2014

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF RAEBURN ENERGY LIMITED

We have audited the financial statements of Raeburn Energy Limited for the year ended 31 May 2013 on pages five to twenty. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Directors to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

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 May 2013 and of the group's 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.

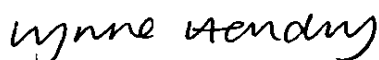
Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

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



Lynne Hendry (Senior Statutory Auditor)
for and on behalf of Acumen Accountants and Advisors Limited
Statutory Auditors
Bon Accord House
Riverside Drive
ABERDEEN
AB11 7SL

5 February 2014

RAEBURN ENERGY LIMITED (REGISTERED NUMBER: SC300309)

CONSOLIDATED PROFIT AND LOSS ACCOUNT
for the Year Ended 31 May 2013

	Notes	2013 £	2012 £
TURNOVER	2	36,727,611	28,977,999
Cost of sales		<u>33,388,199</u>	<u>26,222,840</u>
GROSS PROFIT		3,339,412	2,755,159
Administrative expenses		<u>2,253,146</u>	<u>2,086,841</u>
		1,086,266	668,318
Other operating income		<u>-</u>	<u>1,295</u>
OPERATING PROFIT	4	1,086,266	669,613
Interest receivable and similar income		<u>1</u>	<u>4</u>
		1,086,267	669,617
Interest payable and similar charges	5	<u>(1)</u>	<u>40</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,086,268	669,577
Tax on profit on ordinary activities	6	<u>267,229</u>	<u>179,238</u>
PROFIT FOR THE FINANCIAL YEAR FOR THE GROUP		<u>819,039</u>	<u>490,339</u>

CONTINUING OPERATIONS

None of the group's activities were acquired or discontinued during the current year or previous year.

TOTAL RECOGNISED GAINS AND LOSSES

The group has no recognised gains or losses other than the profits for the current year or previous year.

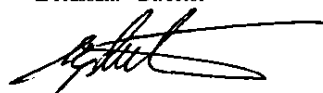
RAEBURN ENERGY LIMITED (REGISTERED NUMBER: SC300309)

CONSOLIDATED BALANCE SHEET
31 May 2013

	Notes	2013 £	2012 £
FIXED ASSETS			
Intangible assets	9	1,467,175	1,468,463
Tangible assets	10	20,628	23,733
Investments	11	-	-
		<u>1,487,803</u>	<u>1,492,196</u>
CURRENT ASSETS			
Stocks	12	700	500
Debtors	13	7,751,364	5,561,045
Cash at bank and in hand		<u>106,590</u>	<u>816,334</u>
		7,858,654	6,377,879
CREDITORS			
Amounts falling due within one year	14	<u>7,341,390</u>	<u>6,307,599</u>
NET CURRENT ASSETS		<u>517,264</u>	<u>70,280</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,005,067	1,562,476
CREDITORS			
Amounts falling due after more than one year	15	(1,150)	-
PROVISIONS FOR LIABILITIES	19	<u>(653)</u>	<u>(251)</u>
NET ASSETS		<u>2,003,264</u>	<u>1,562,225</u>
CAPITAL AND RESERVES			
Called up share capital	20	700,000	700,000
Profit and loss account	21	<u>1,303,264</u>	<u>862,225</u>
SHAREHOLDERS' FUNDS	28	<u>2,003,264</u>	<u>1,562,225</u>

The financial statements were approved by the Board of Directors on 5 February 2014 and were signed on its behalf by:


Z Hussain - Director


S G Rowbottom - Director

The notes form part of these financial statements

RAEBURN ENERGY LIMITED (REGISTERED NUMBER: SC300309)

COMPANY BALANCE SHEET
31 May 2013

	Notes	2013 £	2012 £
FIXED ASSETS			
Intangible assets	9	-	-
Tangible assets	10	-	-
Investments	11	<u>2,642,515</u>	<u>2,642,515</u>
		2,642,515	2,642,515
CURRENT ASSETS			
Debtors	13	1,945	141,695
Cash at bank		<u>26,204</u>	<u>57,962</u>
		28,149	199,657
CREDITORS			
Amounts falling due within one year	14	<u>26,395</u>	<u>183,732</u>
NET CURRENT ASSETS		<u>1,754</u>	<u>15,925</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,644,269	2,658,440
CREDITORS			
Amounts falling due after more than one year	15	<u>1,869,959</u>	<u>1,857,256</u>
NET ASSETS		<u>774,310</u>	<u>801,184</u>
CAPITAL AND RESERVES			
Called up share capital	20	700,000	700,000
Profit and loss account	21	<u>74,310</u>	<u>101,184</u>
SHAREHOLDERS' FUNDS	28	<u>774,310</u>	<u>801,184</u>

The financial statements were approved by the Board of Directors on 5 February 2014 and were signed on its behalf by:


Z Hussain - Director


S G Rowbottom - Director

The notes form part of these financial statements

RAEBURN ENERGY LIMITED (REGISTERED NUMBER: SC300309)

CONSOLIDATED CASH FLOW STATEMENT
for the Year Ended 31 May 2013

	Notes	2013 £	2012 £
Net cash (outflow)/inflow from operating activities	1	(54,164)	1,229,665
Returns on investments and servicing of finance	2	2	(36)
Taxation		(274,388)	(85,687)
Capital expenditure	2	(7,418)	(13,761)
Equity dividends paid		<u>(378,000)</u>	<u>(350,000)</u>
		(713,968)	780,181
Financing	2	<u>4,224</u>	<u>(700)</u>
(Decrease)/increase in cash in the period		<u>(709,744)</u>	<u>779,481</u>
<hr/>			
Reconciliation of net cash flow to movement in net funds	3		
(Decrease)/increase in cash in the period		(709,744)	779,481
Cash (inflow)/outflow from (increase)/decrease in debt and lease financing		<u>(1,750)</u>	<u>1,693</u>
Change in net funds resulting from cash flows		(711,494)	781,174
Movement in net funds in the period		(711,494)	781,174
Net funds at 1 June		<u>816,334</u>	<u>35,160</u>
Net funds at 31 May		<u>104,840</u>	<u>816,334</u>

The notes form part of these financial statements

RAEBURN ENERGY LIMITED (REGISTERED NUMBER: SC300309)

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
for the Year Ended 31 May 2013**

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES

	2013 £	2012 £
Operating profit	1,086,266	669,613
Depreciation charges	11,812	19,375
Increase in stocks	(200)	-
Increase in debtors	(2,190,319)	(400,801)
Increase in creditors	<u>1,038,277</u>	<u>941,478</u>
Net cash (outflow)/inflow from operating activities	<u>(54,164)</u>	<u>1,229,665</u>

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2013 £	2012 £
Returns on investments and servicing of finance		
Interest received	1	10
Interest paid	5	-
Interest element of hire purchase or finance lease rentals payments	<u>(4)</u>	<u>(46)</u>
Net cash inflow/(outflow) for returns on investments and servicing of finance	<u>2</u>	<u>(36)</u>
Capital expenditure		
Purchase of intangible fixed assets	-	(12,880)
Purchase of tangible fixed assets	<u>(7,418)</u>	<u>(881)</u>
Net cash outflow for capital expenditure	<u>(7,418)</u>	<u>(13,761)</u>
Financing		
New loans in year	1,750	-
Capital repayments in year	-	(1,693)
Amount introduced by directors	<u>2,474</u>	<u>993</u>
Net cash inflow/(outflow) from financing	<u>4,224</u>	<u>(700)</u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.6.12 £	Cash flow £	At 31.5.13 £
Net cash:			
Cash at bank and in hand	<u>816,334</u>	<u>(709,744)</u>	<u>106,590</u>
	<u>816,334</u>	<u>(709,744)</u>	<u>106,590</u>
Debt:			
Debts falling due within one year	-	(600)	(600)
Debts falling due after one year	<u>-</u>	<u>(1,150)</u>	<u>(1,150)</u>
	<u>-</u>	<u>(1,750)</u>	<u>(1,750)</u>
Total	<u>816,334</u>	<u>(711,494)</u>	<u>104,840</u>

The notes form part of these financial statements

RAEBURN ENERGY LIMITED (REGISTERED NUMBER: SC300309)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the Year Ended 31 May 2013**

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards.

Turnover

Turnover represents net invoiced sales of services, excluding value added tax, except in respect of service contracts where turnover is recognised when the group obtains the right to consideration.

Goodwill

Goodwill within the group, relates to the acquisition of Raeburn Group Limited in 2006.

Intangible assets

Computer software is valued at cost less accumulated amortisation. Amortisation is calculated to write off the cost in equal annual instalments over their estimated useful lives of 10 years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Improvements to property	- over the period of the lease
Plant and machinery	- 20% on cost
Fixtures and fittings	- 33% on cost and 20% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred tax

Deferred tax arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the company's accounts. Deferred tax is provided in full on timing differences which result in an obligation to pay more (or less) tax at a future date, at the average tax rates that are expected to apply when the timing differences reverse, based on current tax rates and laws.

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the asset.

Deferred tax assets and liabilities are not discounted.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Assets obtained under hire purchase contracts are capitalised as tangible fixed assets. Assets acquired by hire purchase are depreciated over their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account in equal instalments over the period of the agreement.

Pension costs and other post-retirement benefits

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to the profit and loss account in the period to which they relate.

Investments

Fixed asset investments that are not listed on a recognised stock exchange are carried at historical cost less any provision for impairment in their value.

RAEBURN ENERGY LIMITED (REGISTERED NUMBER: SC300309)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 May 2013

2. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the group.

An analysis of turnover by geographical market is given below:

	2013	2012
	£	£
UK	35,563,413	27,738,369
Africa	1,164,198	1,203,190
Europe	-	36,440
	<u>36,727,611</u>	<u>28,977,999</u>

3. STAFF COSTS

	2013	2012
	£	£
Wages and salaries	8,556,639	9,393,035
Social security costs	867,553	832,718
Other pension costs	54,026	34,391
	<u>9,478,218</u>	<u>10,260,144</u>

The average monthly number of employees during the year was as follows:

	2013	2012
Commercial	109	84
Engineering	128	99
Nurse	163	182
Administration	53	44
	<u>453</u>	<u>409</u>

4. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2013	2012
	£	£
Depreciation - owned assets	10,523	17,090
Depreciation - assets on hire purchase contracts or finance leases	-	1,534
Computer software amortisation	1,288	751
Auditors' remuneration	13,740	14,135
Foreign exchange differences	<u>(1,807)</u>	<u>2,557</u>
Directors' remuneration	15,811	5,490
Directors' pension contributions to money purchase schemes	<u>18,000</u>	<u>6,000</u>

RAEBURN ENERGY LIMITED (REGISTERED NUMBER: SC300309)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 May 2013

4. OPERATING PROFIT - continued

During the year the group obtained the following services from the group's auditors at a cost as stated below:

	2013 £	2012 £
Auditor's remuneration for audit services	13,740	14,135
Non audit services:		
Accountancy and bookkeeping	20,025	17,536
Tax services	800	800
	<u>34,565</u>	<u>32,471</u>

During the year the company obtained the following services from the company's auditors at a cost as stated below:

	2013 £	2012 £
Auditor's remuneration for audit services	1,945	1,925
Non audit services:		
Accountancy and bookkeeping	5,135	5,578
Tax services	400	400
	<u>7,480</u>	<u>7,903</u>

5. INTEREST PAYABLE AND SIMILAR CHARGES

	2013 £	2012 £
Corporation tax interest	(5)	(6)
Hire purchase	4	46
	<u>(1)</u>	<u>40</u>

6. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	2013 £	2012 £
Current tax:		
UK corporation tax	252,256	178,987
No description	14,571	-
Total current tax	266,827	178,987
Deferred tax	402	251
Tax on profit on ordinary activities	<u>267,229</u>	<u>179,238</u>

UK corporation tax has been charged at 23.65% (2012 - 25.12%).

RAEBURN ENERGY LIMITED (REGISTERED NUMBER: SC300309)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 May 2013

6. TAXATION - continued

Factors affecting the tax charge

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2013 £	2012 £
Profit on ordinary activities before tax	<u>1,086,268</u>	<u>669,577</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 23.645% (2012 - 25.116%)	256,848	168,171
Effects of:		
Expenses not deductible for tax purposes	(7,550)	11,317
Capital allowances in excess of depreciation	(320)	(744)
Adjustments to tax charge in respect of previous periods	14,571	-
Dormant company losses	17	7
Transfer pricing	<u>3,261</u>	<u>236</u>
Current tax charge	<u>266,827</u>	<u>178,987</u>

7. PROFIT OF PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's profit for the financial year was £351,126 (2012 - £354,250).

8. DIVIDENDS

	2013 £	2012 £
Ordinary shares of £1 each		
Final	-	140,000
Interim	<u>378,000</u>	<u>210,000</u>
	<u>378,000</u>	<u>350,000</u>

9. INTANGIBLE FIXED ASSETS

Group

	Goodwill £	Computer software £	Totals £
COST			
At 1 June 2012 and 31 May 2013	<u>1,456,334</u>	<u>12,880</u>	<u>1,469,214</u>
AMORTISATION			
At 1 June 2012	-	751	751
Amortisation for year	<u>-</u>	<u>1,288</u>	<u>1,288</u>
At 31 May 2013	<u>-</u>	<u>2,039</u>	<u>2,039</u>
NET BOOK VALUE			
At 31 May 2013	<u>1,456,334</u>	<u>10,841</u>	<u>1,467,175</u>
At 31 May 2012	<u>1,456,334</u>	<u>12,129</u>	<u>1,468,463</u>

RAEBURN ENERGY LIMITED (REGISTERED NUMBER: SC300309)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 May 2013

10. TANGIBLE FIXED ASSETS

Group	Improvements to property £	Plant and machinery £	Fixtures and fittings £	Totals £
COST				
At 1 June 2012	25,119	20,379	134,940	180,438
Additions	-	-	7,418	7,418
Disposals	-	-	(34,754)	(34,754)
At 31 May 2013	<u>25,119</u>	<u>20,379</u>	<u>107,604</u>	<u>153,102</u>
DEPRECIATION				
At 1 June 2012	10,104	18,021	128,580	156,705
Charge for year	2,512	2,358	5,653	10,523
Eliminated on disposal	-	-	(34,754)	(34,754)
At 31 May 2013	<u>12,616</u>	<u>20,379</u>	<u>99,479</u>	<u>132,474</u>
NET BOOK VALUE				
At 31 May 2013	<u>12,503</u>	<u>-</u>	<u>8,125</u>	<u>20,628</u>
At 31 May 2012	<u>15,015</u>	<u>2,358</u>	<u>6,360</u>	<u>23,733</u>

11. FIXED ASSET INVESTMENTS

Company	Shares in group undertakings £
COST	
At 1 June 2012 and 31 May 2013	<u>2,642,515</u>
NET BOOK VALUE	
At 31 May 2013	<u>2,642,515</u>
At 31 May 2012	<u>2,642,515</u>

The group or the company's investments at the balance sheet date in the share capital of companies include the following:

Subsidiaries

Raeburn Group Limited

Nature of business: Recruitment agency

	% holding	2013 £	2012 £
Class of shares:			
Ordinary £1 shares	100.00		
Aggregate capital and reserves		2,415,135	1,947,350
Profit for the year		<u>704,785</u>	<u>377,117</u>

RAEBURN ENERGY LIMITED (REGISTERED NUMBER: SC300309)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 May 2013

11. FIXED ASSET INVESTMENTS - continued

Raeburn Recruitment Limited

Nature of business: Dormant

	% holding 100.00	2013 £	2012 £
Class of shares:			
Ordinary			
Aggregate capital and reserves		-	41
Loss for the year		<u>(41)</u>	<u>(14)</u>

Raeburn Healthcare Limited

Nature of business: Dormant

	% holding 100.00	2013 £	2012 £
Class of shares:			
Ordinary			
Aggregate capital and reserves		-	31
Loss for the year		<u>(31)</u>	<u>(14)</u>

12. STOCKS

	Group	2012 £
2013		
£		
Stocks	<u>700</u>	<u>500</u>

13. DEBTORS

	Group		Company	
	2013 £	2012 £	2013 £	2012 £
Amounts falling due within one year:				
Trade debtors	6,750,495	4,103,339	-	-
Other debtors	5,716	139,776	1,945	140,876
Prepayments and accrued income	<u>694,026</u>	<u>1,317,210</u>	-	-
	<u>7,450,237</u>	<u>5,560,325</u>	<u>1,945</u>	<u>140,876</u>
Amounts falling due after more than one year:				
Amounts owed by group undertakings	-	-	-	99
Other debtors	<u>301,127</u>	<u>720</u>	-	<u>720</u>
	<u>301,127</u>	<u>720</u>	-	<u>819</u>
Aggregate amounts	<u>7,751,364</u>	<u>5,561,045</u>	<u>1,945</u>	<u>141,695</u>

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 May 2013

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Other loans (see note 16)	600	-	-	-
Trade creditors	1,506,393	706,549	318	541
Tax	171,427	178,987	10,438	13,853
Social security and other taxes	242,127	225,385	108	176
VAT	575,621	415,685	2	9,731
Other creditors	4,829,693	4,765,739	-	144,177
Directors' current accounts	8,514	6,040	8,514	6,040
Accrued expenses	7,015	9,214	7,015	9,214
	<u>7,341,390</u>	<u>6,307,599</u>	<u>26,395</u>	<u>183,732</u>

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Other loans (see note 16)	1,150	-	-	-
Amounts owed to group undertakings	-	-	1,869,959	1,857,256
	<u>1,150</u>	<u>-</u>	<u>1,869,959</u>	<u>1,857,256</u>

16. LOANS

An analysis of the maturity of loans is given below:

	Group	
	2013	2012
	£	£
Amounts falling due within one year or on demand:		
Other loans	<u>600</u>	<u>-</u>
Amounts falling due between two and five years:		
Other loans - 2-5 years	<u>1,150</u>	<u>-</u>

17. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

Group	Land and buildings		Other operating leases	
	2013	2012	2013	2012
	£	£	£	£
Expiring:				
Within one year	-	-	17,316	21,820
Between one and five years	-	-	31,051	36,036
In more than five years	<u>96,240</u>	<u>94,529</u>	<u>-</u>	<u>-</u>
	<u>96,240</u>	<u>94,529</u>	<u>48,367</u>	<u>57,856</u>

RAEBURN ENERGY LIMITED (REGISTERED NUMBER: SC300309)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 May 2013

17. OPERATING LEASE COMMITMENTS - continued

Company

	Other operating leases	
	2013 £	2012 £
Expiring:		
Within one year	11,017	11,374
Between one and five years	-	25,613
	<u>11,017</u>	<u>36,987</u>

18. SECURED DEBTS

The following secured debts are included within creditors:

	Group	
	2013 £	2012 £
Factoring advance	<u>3,843,649</u>	<u>3,125,145</u>

The following assets are held as security:

Raeburn Group Limited has an agreed overdraft facility which is secured by a bond and floating charge over all heritable and moveable assets. Raeburn Energy Limited also has a bond and floating charge in place over all heritable and moveable assets.

There is a cross guarantee between Raeburn Group Limited and Raeburn Energy Limited in the sum of £1,060,000 in favour of The Royal Bank of Scotland.

There is an additional cross guarantee between Raeburn Group Limited and Raeburn Energy Limited in the sum of £300,000 in favour of The Royal Bank of Scotland.

There is a personal guarantee of £100,000 from S Rowbottom and Z Hussain.

The factoring advance is secured over £6,724,274 (2012: £4,217,964) of Raeburn Group Limited's trade debtors under a factoring agreement with the Royal Bank of Scotland.

19. PROVISIONS FOR LIABILITIES

	Group	
	2013 £	2012 £
Deferred tax	<u>653</u>	<u>251</u>

Group

	Deferred tax £
Balance at 1 June 2012	251
Provided during year	<u>402</u>
Balance at 31 May 2013	<u>653</u>

RAEBURN ENERGY LIMITED (REGISTERED NUMBER: SC300309)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 May 2013

20. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value: £1	2013 £ <u>700,000</u>	2012 £ <u>700,000</u>
Number:	Class:			
700,000	Ordinary			

21. RESERVES

Group

	Profit and loss account £
At 1 June 2012	862,225
Profit for the year	819,039
Dividends	<u>(378,000)</u>
At 31 May 2013	<u>1,303,264</u>

Company

	Profit and loss account £
At 1 June 2012	101,184
Profit for the year	351,126
Dividends	<u>(378,000)</u>
At 31 May 2013	<u>74,310</u>

22. PENSION COMMITMENTS

The group's defined contribution pension cost for the year was £54,026 (2012: £34,391). Outstanding contributions as at the year end totalled £5,445 (2012: £7,815).

23. OTHER FINANCIAL COMMITMENTS

During the year, the Raeburn Group Limited agreed to act as guarantor in relation to a property lease between Theon Limited (a company ultimately owned by S Rowbottom and Z Hussain, the company directors) and Gladman Developments Limited.

The lease relates to Unit 30, Abercrombie Court, Arnhall Business Park, Westhill, and the annual rent that Raeburn Group Limited guarantees amounts to £93,654.

During the year, Raeburn Group Limited also agreed to act as guarantor on a loan obtained by Theon Limited. The loan is to finance the refurbishment of Theon Limited's office premises. The loan amounts to £97,700 and will be repaid over 36 months commencing in January 2013.

24. TRANSACTIONS WITH DIRECTORS

At 31 May 2013, S Rowbottom had a loan balance of £5,105 (2012: £3,098) due to him from Raeburn Energy Limited. During the year dividends of £189,000 were paid to S Rowbottom (2012: £175,000).

At 31 May 2013, Z Hussain had a loan balance of £3,409 (2012: £2,942) due to him from Raeburn Energy Limited. During the year dividends of £189,000 were paid to Z Hussain (2012: £175,000).

These loans are interest free and there are no fixed repayment terms.

RAEBURN ENERGY LIMITED (REGISTERED NUMBER: SC300309)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 May 2013

25. RELATED PARTY DISCLOSURES

The following are considered to be related parties of Raeburn Energy Limited:

- (i) Raeburn Group Limited - a wholly owned subsidiary of the company
- (ii) Raeburn Healthcare Limited - a wholly owned subsidiary of Raeburn Group Limited
- (iii) Raeburn Recruitment Limited - a wholly owned subsidiary of Raeburn Group Limited
- (iv) Zedess Energy Limited - a company owned by S Rowbottom and Z Hussain, the directors of the company
- (v) Theon Energy Limited - a company wholly owned by S Rowbottom and Z Hussain, the directors of the company
- (vi) Theon Limited - a wholly owned subsidiary of Theon Energy Limited

The following transactions with the above related parties took place during the year:

As at 31 May 2013, there is an amount of £1,869,959 (2012: £1,857,256) due to Raeburn Group Limited from Raeburn Energy Limited. The loan is interest free with no fixed repayment terms. During the year Raeburn Energy Limited raised invoices to Raeburn Group Limited for £245,700 (2012: £245,700) in relation to management fees. During the year dividends of £237,000 (2012: £241,000) were paid to Raeburn Energy Limited from Raeburn Group Limited.

As at 31 May 2012 £30 was due from Raeburn Recruitment Limited to Raeburn Energy Limited. During the year this loan was written off in full.

As at 31 May 2012 £69 was due from Raeburn Healthcare Limited to Raeburn Energy Limited. During the year this loan was written off in full.

As at 31 May 2012 there was an outstanding loan of £100 due to Raeburn Healthcare Limited from Raeburn Group Limited. During the year this loan was written off in full.

As at 31 May 2012 there was an outstanding loan of £71 due to Raeburn Recruitment Limited from Raeburn Group Limited. During the year this loan was written off in full.

During the year £200 was loaned to Zedess Energy Limited by Raeburn Energy Limited. This loan was written off in full at the year end.

As at 31 May 2012 an amount of £360 was due from Theon Limited to Raeburn Energy Limited. During the year this loan was written off in full.

As at 31 May 2012 £360 was due from Theon Energy Limited to Raeburn Energy Limited. During the year £221 of this loan was repaid to Raeburn Energy Limited. The remaining balance of £139 was then written off in full.

During the year Raeburn Group Limited made sales of £445,121 (2012: £45,083) to Theon Limited, as at 31 May 2013 £163,949 (2012: £15,928) was due from Theon Limited to Raeburn Group Limited in relation to these sales. During the year Raeburn Group Limited also paid expenses totalling £325,039 (2012: £137,088) on behalf of Theon Limited. At 31 May 2013 £301,127 (2012 : £137,088) was due to the company in relation to these expenses. During the year Theon Limited also paid expenses totalling £1,886 (2012 : £Nil) on behalf of the company. This amount was due in full by Raeburn Group Limited at the year end.

The above loans are interest free and have no fixed repayment terms.

RAEBURN ENERGY LIMITED (REGISTERED NUMBER: SC300309)**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 May 2013****26. POST BALANCE SHEET EVENTS**

In the post year end period total dividends of £567,000 have been paid from the reserves of the group for the year ended 31 May 2014.

In the post year end period Raeburn Energy Limited granted 10,000 share options of Ordinary B shares to an employee of its 100% owned subsidiary, Raeburn Group Limited, with a market value of £2.10 per share. These options can be exercised between 24 July 2016 and 24 July 2023. The option can be exercised at any time during this period and the option holder must be an eligible employee of the company or any qualifying subsidiary of the company on the date of exercise.

In the post year end period Raeburn Energy Limited granted a further 5,000 share options of Ordinary B shares to another employee of its 100% owned subsidiary, Raeburn Group Limited, with a market value of £2.10 per share. These options can be exercised between 24 July 2016 and 24 July 2023. The option can be exercised at any time during this period and the option holder must be an eligible employee of the company or any qualifying subsidiary of the company on the date of exercise.

In the post year end period, Raeburn Energy Limited have also entered into various vehicle operating leases. In relation to these leases, Raeburn Energy Limited has committed to pay £82,349 in the next accounting period.

27. ULTIMATE CONTROLLING PARTY

In the directors opinion the group is controlled jointly by S Rowbottom and Z Hussain.

28. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**Group**

	2013 £	2012 £
Profit for the financial year	819,039	490,339
Dividends	(378,000)	(350,000)
Net addition to shareholders' funds	441,039	140,339
Opening shareholders' funds	<u>1,562,225</u>	<u>1,421,886</u>
Closing shareholders' funds	<u>2,003,264</u>	<u>1,562,225</u>

Company

	2013 £	2012 £
Profit for the financial year	351,126	354,250
Dividends	(378,000)	(350,000)
Net (reduction)/addition to shareholders' funds	(26,874)	4,250
Opening shareholders' funds	<u>801,184</u>	<u>796,934</u>
Closing shareholders' funds	<u>774,310</u>	<u>801,184</u>

29. SHARE-BASED PAYMENT TRANSACTIONS

Raeburn Energy Limited granted 10,000 share options of Ordinary B shares to an employee of its 100% owned subsidiary, Raeburn Group Limited, on the 1 April 2012 with a market value of £1.17 per share. These options can be exercised between 1 June 2014 and 31 March 2022. The option can be exercised at any time during this period and the option holder must be an eligible employee of the company or any qualifying subsidiary of the company on the date of exercise.