

Registered number: SC520044

GEG CAPITAL INVESTMENTS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

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GEG CAPITAL INVESTMENTS LIMITED

COMPANY INFORMATION

Directors	R J MacGregor J D MacDonald J K Mackenzie G J Farmer (appointed 8 November 2023)
Company secretary	J D MacDonald
Registered number	SC520044
Registered office	13 Henderson Road Inverness IV1 1SN
Independent auditor	Anderson Anderson & Brown Audit LLP Kingshill View Prime Four Business Park Kingswells Aberdeen AB15 8PU

GEG CAPITAL INVESTMENTS LIMITED

CONTENTS

	Page
Group Strategic Report	1 - 5
Directors' Report	6 - 9
Directors' Responsibilities Statement	10
Independent Auditor's Report	11 - 14
Consolidated Profit and Loss Account	15
Consolidated Statement of Comprehensive Income	16
Consolidated Balance Sheet	17 - 18
Company Balance Sheet	19 - 20
Consolidated Statement of Changes in Equity	21
Company Statement of Changes in Equity	22
Consolidated Statement of Cash Flows	23 - 24
Consolidated Analysis of Net Debt	25
Notes to the Financial Statements	26 - 54

GEG CAPITAL INVESTMENTS LIMITED

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2023

Principal activities

GEG Capital Investments Limited is an independent investment company with a diverse portfolio of cross sector businesses.

Principal activities are concentrated in renewables, utilities, oil and gas, nuclear, marine, logistics, infrastructure and construction, consultancy, recruitment and football.

Refer to note 35 for details on acquisitions made in the year.

Business review

The directors note the results for the year and are pleased at the continuing profitability across the group. The group is well positioned to support energy transition and energy security policy aligning with both UK and Scottish governments long term targets.

Principal risks and uncertainties

The Board and Directors are confident that the diversified business model mitigates the group from major trading risks. With our risks being spread across different sectors and in some cases segments within these sectors. The directors have successfully built a portfolio of operations that are resilient to economic and political influences. Coupled with an organisation culture that can react fast to changing circumstances, we are confident in the continuing trading of the group.

The group has established a risk and financial management framework whose primary objectives are to protect the group from events that hinder the achievement of the group's performance objectives.

Financial instrument risks can be sub divided as follows:

Liquidity risk

The group policy is to ensure that sufficient liquidity is available to meet the foreseeable needs and to invest cash assets safely and profitably. Liquidity is achieved by overdraft, revolving credit facilities and other long term bank facilities. The group places significant focus on working capital management.

Interest rate risk

The group finances its operations through bank borrowings at floating rates. The group policy is to borrow at the lowest rates for periods that do not carry excessive time premiums. Fixed borrowing rates are sought for HP assets funded over long time frames.

Credit risk

The group policy is to minimise exposure to losses of defaulting customers. Credit terms are only granted to customers who satisfy credit worthiness procedures and in certain market sectors where appropriate credit insurance can be obtained. Credit limits are reviewed by finance department staff on a regular basis in conjunction with the debt ageing and collection history.

Financial key performance indicators

The directors consider turnover and gross profit to be key performance indicators and monitor these on an ongoing basis.

GEG CAPITAL INVESTMENTS LIMITED

GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Section 172(1) statement

In 2008 the Companies (Miscellaneous Reporting) Regulations introduced a requirement for large companies to publish a statement describing how the directors have had regard to the matters set out in section 172 (1) (a) to (f) of the Companies Act 2006. Section 172 (1) (a) to (f) requires each director to act in a way he or she considers would be most likely to promote the success of the company for the benefit of its members as a whole regarding the following matters;

(a) The likely consequences of any decision in the long-term

At the heart of the company values is its people and creating a sustainable business. The directors believe that a consistently profitable business, which invests in people, culture, assets, processes, and systems will ensure the sustainability of the GEG Capital business and brand identity for years to come.

The group core values inherently link to a longer term sustainable business.

- Resolute on Health and Safety
- Create Opportunities for our people
- Inspire Creativity and Hunger
- Demonstrate Integrity and Respect
- Encourage Humility

Any decisions made by the board have the long term objectives in mind.

(b) The interests of the company's employees

The board considers its people its greatest asset and the interests of employees are always taken into consideration when decisions are to be made.

Our People and Culture team plays a pivotal position in supporting the group by leading a progressive and innovative People Strategy. The aim of People and Culture is to create the conditions, frameworks, and approaches to enable our people to achieve and succeed. GEG Capital are committed to providing an inclusive, collaborative, and supportive working environment, where our people are valued and feel motivated.

Our People Strategy is built upon the following principles:

- To inspire a supportive and collaborative community
- To enhance performance through a culture of continuous learning
- To lead transformation and shape the business of the future
- To become the employer of choice

GEG CAPITAL INVESTMENTS LIMITED

GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Section 172(1) statement (continued)

GEG Capital is fully committed to:

- Providing a safe working environment where employees are developed to carry out their role competently, in compliance with relevant legislation and guidance;
- A Code of Business Conduct designed to ensure all employees understand the core principles expected, in order to ensure we deliver for each other, our customers and our shareholders;
- Cultivating an enriched environment where any individual or group feels welcomed, respected, supported and valued;
- Engaging employees through consistent and transparent communication, policies and procedures;
- Stimulating and encouraging a healthy and resilient workforce;
Providing a multi-platform approach to continued professional development and regulatory competence;
- Creating engaging learning experiences, enabling our people to grow;
- Developing a modern and transparent approach to career progression, succession planning and mobility;
- A culture which supports the high performance of individuals, teams, and the group as a whole;
- A total reward benefits offering ensuring it remains competitive, relevant and fair;
- Providing an outstanding onboarding experience for new colleagues;
- Building a diverse, inclusive and connected community;
- Developing sustainable relationships with local schools, colleges, and universities to attract future talent

(c) The need to foster the companies business relationships with suppliers customers and others

We are a group of businesses which is focused on serving our customers and their specific needs, accordingly we have a business development and relationship team which invests time in developing relationships with clients and helping them find solutions to the challenges they face.

Due to the diverse nature of the group the supply chain is fundamental to the delivery of our services and products. We work closely with several key suppliers to build strong relationships and look to develop longer term agreements where possible.

In addition to our customer and suppliers we seek to build strong relationships with multiple stakeholder groups including local authorities, politicians, trade associations, schools, and accreditation bodies.

Our directors and senior management team take an active interest in these connections and take an active role in building and sustaining these relationships.

(d) The impact of the company's operations in the community and environment

Sustainability at GEG Capital means ensuring long-term business success while contributing towards the prosperity of communities, the health and wellbeing of our people and the protection of the planet.

Our group Sustainability Officer continues to support the group to further develop its sustainability strategy. They are already identifying the issues that matter by engaging stakeholders and developing a materiality matrix. Designed to aid prioritisation and develop a programme of work that covers community and environmental impacts.

1) Environmental Impact / Carbon Emissions:

Our Scope 1 & 2 GHG emissions for the group are approximately 6,400 tonnes of CO₂e, with 65% being the Port Services division, whilst North Fabrication produced 26% of overall group emissions. The greatest impact is the fuel consumption of our businesses contributing to 79% of the emissions and electricity consumption 21%.

Key areas already identified for prioritised action mentioned in 2021-22 report are still relevant and being progressed, with added improvements of increasing the scope of our businesses certified to ISO14001 and a focus on scope 3 GHG emissions for the year ahead with a clear Environmental and Sustainability roadmap through to 2045.

GEG CAPITAL INVESTMENTS LIMITED

GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Section 172(1) statement (continued)

2) Corporate Social Responsibility (CSR), Diversity and Inclusion (D&I) and Wellbeing:

We have continued to maintain our focus during the challenges presented in a post-Covid era and during a time of significant economic pressures including the cost of living crisis. With true CSR going beyond the realms of charitable giving, extending to include diversity, growth, development, and wellness in the workplace, we feel proud to have maintained momentum in these key areas. In the year ahead, with support from the P&C team, the business will develop and implement initiatives to foster and accelerate our commitment to our core initiatives in the following areas: supporting the creation of a Diversity and Inclusion strategy, developing innovative approaches to ensure our employees and local communities feel engaged particularly around wellbeing and corporate social responsibility.

Creating the opportunity for our people to volunteer helps to improve the lives of others, but also supports us in gaining a greater sense of belonging to our communities and feeling more connected to the world around us. This year has seen a number of employees volunteer in their local communities. With our teams working in the local areas to positively impact local communities, e.g. the outside areas of both local children's centres and community gardens. We anticipate two further employee volunteering initiatives with employees from across our business supporting two local community charities in providing aid to some of the most vulnerable groups in Europe throughout the Winter months and the festive seasons.

In addition, in the context of a post Covid era, and the challenges presented to our people as a result of the cost of living crisis, we have continued to enhance the strands of activity which support Mental Health Awareness. Aimed at helping managers identify and support mental health issues, as they arise. Enabling staff to build personal resilience; as well as training and additional 15 employees across the group as certified Mental Health First Aiders.

This resulted in increased output and efficiency and reduced absenteeism. Our commitment to the wellbeing of our employees is further supported through a series of regular webinars on topics including Mental Health Awareness and Financial Wellbeing.

We have also commenced with focussed Health & Wellbeing campaigns based on the trends from our data and key topics raised by our Safety Representatives through workforce engagement sessions. In addition we have engaged with a new Occupational Health provider who is supporting our business with these campaigns offering increased resources and health assessment support.

Building on the increases in morale, teamwork and communication, coupled with the intrinsic benefits the individual, the team and the community achieved by rolling out the strategies we introduced in 2021/22, the GEG Capital continue to gain momentum in incremental steps as we target key objectives like, our group wide focus on achieving NetZero by 2045.

(e) The desirability of the company maintaining a reputation for high standards of business conduct

The board believes it is of great importance that we are trusted by all our stakeholders and as a result we seek to run the business with a high level of integrity.

As part of the group's operational certification the business management systems set out the conduct in which the business operates and ensures high standards are met and delivered.

The audit process internally considers a wide range of reporting, control and governance issues which provides a level of assurance to the board and other stakeholders.

Our employee handbook and other relevant policies are reviewed annually and updated accordingly. Policies on anti-bribery, whistle blowing, and code of conduct are all available on the group's internal and external websites. These policies set the standard for group behaviours and a respectful culture.

The board has little appetite for reputational risk and tries to ensure that decisions made are in the business interests of all stakeholders where possible.

GEG CAPITAL INVESTMENTS LIMITED

**GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

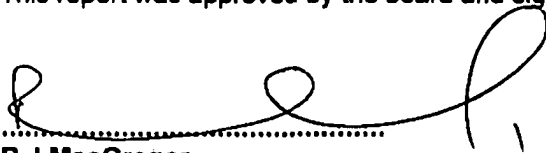
Section 172 statement (continued)

(f) The need to act fairly as between the members of the company

We believe the board dynamic ensures all shareholders are treated fairly and that all views are fully represented when making key decisions for the business.

A shareholder agreement sets out the rights of each shareholder and where decisions need specific consent at a board level.

This report was approved by the board and signed on its behalf.

A handwritten signature in black ink, appearing to read 'R J MacGregor', is written over a horizontal dotted line.

R J MacGregor
Director

Date: 22ND DECEMBER 2023

GEG CAPITAL INVESTMENTS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2023

The directors present their report and the financial statements for the year ended 31 March 2023.

Results and dividends

The profit for the year, after taxation and minority interests, amounted to £8,488,601 (2022 - £153,397).

Dividends of £207,357 were paid to non controlling interests in the year (2022 - £298,426).

Directors

The directors who served during the year were:

R J MacGregor
J D MacDonald
J K Mackenzie

Political contributions

The group did not make any political donations during the year.

Future developments

The directors will continue to grow the business both organically and by acquisition.

Going concern

The directors have a reasonable expectation that the company and the group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Engagement with employees

An essential part of GEG Capital's strategy is to encourage and promote effective communication with all employees, which includes an annual employee opinion survey and an Employee Engagement Forum, which discusses the outcome of the employee survey each year. These engagements support the GEG Capital in its decision making, ensuring it takes employees' views into account. The employee opinions captured are then presented to the executive team as part of a regular review of employee matters. KPIs such as labour turnover and responses to key questions are also monitored, to measure staff morale and review culture. The employee opinion surveys also provide the executive team with insight into what factors concern and motivate the GEG Capital's employees and contribute to action plans and/or focus groups across the GEG Capital. The employee survey process is regularly evaluated and developed, to maximise the validity and reliability of the data captured.

GEG CAPITAL INVESTMENTS LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Disabled employees

We adopt a zero-tolerance approach to discrimination on any of the protected grounds in the Equality Act 2010. We are committed to providing equal opportunities to all current and prospective employees regardless of age, disability, sex, sexual orientation, pregnancy and maternity, race or ethnicity, religion or belief, gender identity, or marriage and civil partnership.

We aspire to have a diverse workforce because, in our view, diversity enables better business outcomes. We also believe that a more inclusive workplace, where people of different backgrounds work together, ensures better outcomes for all staff. From application to interview, we place inclusion at the heart of all we do, in particular, we strongly encourage suitably qualified applicants from a wide range of backgrounds to apply and join GEG Capital.

We continue to take positive steps to ensure that our employees, stakeholders, contractors, and clients can enjoy an experience that is fair, equitable and free from discrimination in their dealings with us. To help us achieve our goal of a diverse and inclusive workplace, we have implemented the following initiatives to promote equality, diversity and inclusion, for example: diversity and inclusion training, including unconscious bias training for line managers; employee representative and focus groups; and conducting equality impact assessments across our company policies.

The company, as part of its employment and ongoing practices has always and wishes to continue, to promote an environment of equality and fairness and therefore recognises and complies with the Disability Discrimination Act 1995 (DDA).

GEG Capital has policies and procedures to achieve its objective that upon employment, reasonable adjustments will be made to accommodate individuals with disabilities wherever the requirements of the organisation will allow and where applications for employment are received from suitable individuals. If during their employment, existing employees become disabled, every reasonable effort is also made to ensure that their employment with GEG Capital can continue on a worthwhile basis, with career opportunities remaining available to the employee.

GEG CAPITAL INVESTMENTS LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

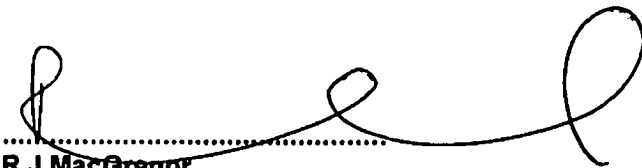
Post balance sheet events

On 2nd June 2023, GEG Capital Limited acquired a majority shareholding in IKM Consulting Ltd (SC179251).

Auditor

The auditor, Anderson Anderson & Brown Audit LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

A handwritten signature in black ink, appearing to be 'R J MacGregor', written over a dotted line.

R J MacGregor
Director

Date: 22ND DECEMBER 2023

GEG CAPITAL INVESTMENTS LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Greenhouse gas emissions, energy consumption and energy efficiency action

Due to the diverse nature of the group and the number of operating units the directors have chosen to report for those companies within the group which have a reporting obligation rather than a consolidated group at this stage. It is the directors view that they will report as a group for future periods as we monitor this internally.

The group recognise how important managing our environmental impact is to our business, and have recruited a group Sustainability Officer in July 2021. The role is currently prioritising the following:

- Reviewing the sustainability performance of the company
- Defining the company sustainability strategy
- Developing action plans in relation to NetZero and other key sustainability topics
- Internal and external reporting of plans and performance

Methodology / Reporting

The directors undertook the reporting in line with the GHG protocol corporate standard. The following gross emissions / intensity ratios are noted below:

	2022-23 Gross Emissions (tCO ₂ e)	2022-23 Intensity Emissions (tCO ₂ e/£M)	2021-22 Gross Emissions (tCO ₂ e)	2021-22 Intensity Emissions (tCO ₂ e/£M)
Global Energy Group Limited	1,844	15.6	1,850	13.7
Global Port Services (Scotland) Limited	4,167	58.7	3,508	66.2

The increased intensity in GPSS was driven by an increase in fuel consumed by the vehicles and plant, increased numbers on the fleet and travelling to and from client locations that were further afield compared with the prior year. GEG on the other hand has seen a reduced intensity which has largely been driven by change in the work activities performed in the business with reduction in manufacturing activities.

GEG Capital Investments Limited is exempt from providing this information as its energy consumption in the United Kingdom is 40,000kWh or lower in the current reporting period.

Energy Efficiency Actions

The directors are aware of the environmental challenges of operating a group with a significant mobile workforce and operating heavy plant. There has been consolidation/rationalisation of sites, resulting in reduction of emissions, plus installation of LED lighting, we have also committed to the governments Energy Saving Opportunity Scheme (ESOS) with our next assessments due in Q4 2023 and Q1 2024.

The directors acknowledge that we have a significant journey ahead in reducing our carbon footprint and are committed to looking for improvements in how we run the business day to day. The strategic direction of the group highlights the role the business plays in supporting the transition to Net Zero.

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company and the group's auditor is unaware, and
- the 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 and the group's auditor is aware of that information.

GEG CAPITAL INVESTMENTS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 MARCH 2023

The directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 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 for the group's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and to 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.

GEG CAPITAL INVESTMENTS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GEG CAPITAL INVESTMENTS LIMITED

Opinion

We have audited the financial statements of GEG Capital Investments Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2023, which comprise the Consolidated Profit and Loss Account, the Consolidated Statement of Comprehensive Income, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2023 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.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

GEG CAPITAL INVESTMENTS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GEG CAPITAL INVESTMENTS LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's Report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Group Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which 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.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 10, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GEG CAPITAL INVESTMENTS LIMITED
(CONTINUED)**

Auditor's responsibilities for the audit of the financial statements

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

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

We obtained an understanding of the legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements

The laws and regulations we considered in this context were the Companies Act 2006 and Taxation legislation.

We identified the greatest risk of material impact on the financial statements from irregularities including fraud to be:

- Management override of controls to manipulate the company's key performance indicators to meet targets
- Timing and completeness of revenue recognition
- Management judgement applied in calculating provisions
- Compliance with relevant laws and regulations which directly impact the financial statements and those that the company needs to comply with for the purpose of trading

Our audit procedures to respond to these risks included:

- Testing of journal entries and other adjustments for appropriateness
- Evaluating the business rationale of significant transactions outside the normal course of business
- Reviewing judgments made by management in their calculation of accounting estimates for potential management bias
- Enquiries of management about litigation and claims and inspection of relevant correspondence
- Reviewing legal and professional fees to identify indications of actual or potential litigation, claims and any non-compliance with laws and regulations

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

GEG CAPITAL INVESTMENTS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GEG CAPITAL INVESTMENTS LIMITED (CONTINUED)

Use of our report

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

A handwritten signature in black ink, reading "Anderson Anderson & Brown Audit LLP".

James Pirrie (Senior Statutory Auditor)

for and on behalf of

Anderson Anderson & Brown Audit LLP

Statutory Auditor

Kingshill View
Prime Four Business Park

Kingswells

Aberdeen

AB15 8PU

Date: 22 December 2023

GEG CAPITAL INVESTMENTS LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2023

	Note	Continuing operations 2023 £	Discontinued operations 2023 £	Total 2023 £	Continuing operations 2022 £	Discontinued operations 2022 £	Total 2022 £
Turnover	4	281,558,394	87,405,000	368,963,394	256,519,227	39,534,000	296,053,227
Cost of sales		(229,764,985)	(73,081,000)	(302,845,985)	(210,792,071)	(32,703,000)	(243,495,071)
Gross profit		51,793,409	14,324,000	66,117,409	45,727,156	6,831,000	52,558,156
Administrative expenses		(46,800,448)	(8,606,000)	(55,406,448)	(42,723,523)	(4,831,000)	(47,554,523)
Exceptional administrative expenses		(1,821,999)	-	(1,821,999)	(4,234,678)	-	(4,234,678)
Other operating income	5	556,000	-	556,000	540,655	-	540,655
Operating profit	6	3,726,962	5,718,000	9,444,962	(690,390)	2,000,000	1,309,610
Net profit on sale of tangible assets		1,531,000	-	1,531,000	706,000	-	706,000
Profit on ordinary activities before interest		5,257,962	5,718,000	10,975,962	15,610	2,000,000	2,015,610
Income from other participating interests		51,000	-	51,000	56,000	-	56,000
Gain on sale of subsidiary	36	12,253,000	-	12,253,000	2,727,000	-	2,727,000
Interest receivable and similar income	10	255	-	255	38	-	38
Interest payable and similar expenses	11	(1,754,763)	(61,000)	(1,815,763)	(1,325,964)	(22,000)	(1,347,964)
Profit before tax		15,807,454	5,657,000	21,464,454	1,472,684	1,978,000	3,450,684
Tax on profit	12	(2,528,948)	(1,024,000)	(3,552,948)	(1,261,673)	(1,310,000)	(2,571,673)
Profit for the financial year		13,278,506	4,633,000	17,911,506	211,011	668,000	879,011
Profit for the year attributable to:							
Non-controlling interests		9,422,905	-	9,422,905	725,614	-	725,614
Owners of the parent		3,855,601	4,633,000	8,488,601	(514,603)	668,000	153,397
		13,278,506	4,633,000	17,911,506	211,011	668,000	879,011

There are no items of other comprehensive income for 2023 or 2022 other than the profit for the year.

The notes on pages 26 to 54 form part of these financial statements.

GEG CAPITAL INVESTMENTS LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2023

	Note	2023 £	2022 £
Profit for the financial year		17,911,506	879,011
Exchange difference on retranslation of foreign subsidiary		(408)	(6,119)
Increase in controlling stake in subsidiary		-	(400,000)
Total comprehensive income for the year		17,911,098	472,892
Profit for the year attributable to:			
Non-controlling interest		9,422,905	725,614
Owners of the parent company		8,488,601	153,397
		17,911,506	879,011
Total comprehensive income attributable to:			
Non-controlling interest		9,422,905	526,585
Owners of the parent company		8,488,193	(53,693)
		17,911,098	472,892

The notes on pages 26 to 54 form part of these financial statements.

GEG CAPITAL INVESTMENTS LIMITED

REGISTERED NUMBER:SC520044

**CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2023**

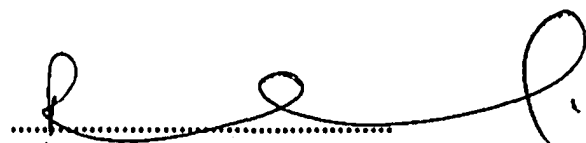
	Note	2023 £	2022 £
Fixed assets			
Intangible assets	14	50,967,710	61,580,548
Tangible assets	15	117,792,908	105,705,754
Investments	16	550,050	2,061,000
		<u>169,310,668</u>	<u>169,347,302</u>
Current assets			
Stocks	17	2,586,492	2,845,800
Debtors: amounts falling due within one year	18	57,919,373	77,561,685
Cash at bank and in hand	19	17,524,938	13,978,154
		<u>78,030,803</u>	<u>94,385,639</u>
Creditors: amounts falling due within one year	20	(73,604,627)	(94,611,839)
Net current assets/(liabilities)		<u>4,426,176</u>	<u>(226,200)</u>
Total assets less current liabilities		<u>173,736,844</u>	<u>169,121,102</u>
Creditors: amounts falling due after more than one year	21	(33,004,152)	(47,667,824)
Provisions for liabilities			
Deferred taxation	25	(5,461,288)	(3,796,847)
Other provisions	27	-	(250,000)
		<u>(5,461,288)</u>	<u>(4,046,847)</u>
Net assets		<u><u>135,271,404</u></u>	<u><u>117,406,431</u></u>
Capital and reserves			
Called up share capital	28	555,211	555,211
Share premium account		64,192,749	64,192,749
Profit and loss account		12,326,543	3,889,390
Equity attributable to owners of the parent company		<u>77,074,503</u>	<u>68,637,350</u>
Non-controlling interests		58,196,901	48,769,081
		<u><u>135,271,404</u></u>	<u><u>117,406,431</u></u>

GEG CAPITAL INVESTMENTS LIMITED

REGISTERED NUMBER:SC520044

**CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2023**

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

A handwritten signature in black ink, appearing to be 'R J MacGregor', written over a dotted line.

R J MacGregor
Director

Date: 22ND DECEMBER 2023

The notes on pages 26 to 54 form part of these financial statements.

GEG CAPITAL INVESTMENTS LIMITED**REGISTERED NUMBER:SC520044****COMPANY BALANCE SHEET
AS AT 31 MARCH 2023**

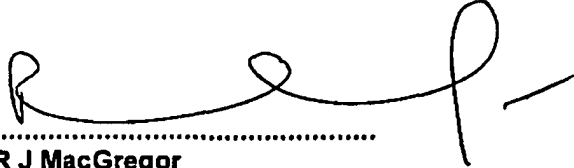
	Note	2023 £	2022 £
Fixed assets			
Tangible assets	15	280	637
Investments	16	66,704,568	66,704,568
		<u>66,704,848</u>	<u>66,705,205</u>
Current assets			
Debtors: amounts falling due within one year	18	216,196	161,614
Cash at bank and in hand	19	25,177	17,639
		<u>241,373</u>	<u>179,253</u>
Creditors: amounts falling due within one year	20	(238,255)	(151,592)
Net current assets		<u>3,118</u>	<u>27,661</u>
Total assets less current liabilities		<u>66,707,966</u>	<u>66,732,866</u>
Net assets		<u><u>66,707,966</u></u>	<u><u>66,732,866</u></u>
Capital and reserves			
Called up share capital	28	555,211	555,211
Share premium account		64,192,749	64,192,749
Profit and loss account brought forward		1,984,906	2,198,653
Loss for the year		(24,900)	(213,747)
Profit and loss account carried forward		<u>1,960,006</u>	<u>1,984,906</u>
		<u><u>66,707,966</u></u>	<u><u>66,732,866</u></u>

GEG CAPITAL INVESTMENTS LIMITED

REGISTERED NUMBER:SC520044

**COMPANY BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2023**

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

A handwritten signature in black ink, appearing to read 'R J MacGregor', with a horizontal dotted line underneath it.

R J MacGregor
Director

Date: 22ND DECEMBER 2023

The notes on pages 26 to 54 form part of these financial statements.

GEG CAPITAL INVESTMENTS LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2023**

	Called up share capital £	Share premium account £	Profit and loss account £	Equity attributable to owners of parent company £	Non- controlling interests £	Total equity £
At 1 April 2021	555,211	64,192,749	4,024,746	68,772,706	48,320,422	117,093,128
Profit for the year	-	-	153,397	153,397	725,614	879,011
Currency translation differences	-	-	(2,931)	(2,931)	(3,188)	(6,119)
Movement on increase in controlling stake of subsidiary	-	-	(204,159)	(204,159)	(195,841)	(400,000)
Dividends paid	-	-	(81,663)	(81,663)	(298,426)	(380,089)
Other non-controlling interest movement	-	-	-	-	220,500	220,500
At 1 April 2022	555,211	64,192,749	3,889,390	68,637,350	48,769,081	117,406,431
Profit for the year	-	-	8,488,601	8,488,601	9,422,905	17,911,506
Currency translation differences	-	-	(408)	(408)	-	(408)
Dividends: Equity capital	-	-	(51,040)	(51,040)	(256,317)	(307,357)
Other non controlling interest movement	-	-	-	-	261,232	261,232
At 31 March 2023	<u>555,211</u>	<u>64,192,749</u>	<u>12,326,543</u>	<u>77,074,503</u>	<u>58,196,901</u>	<u>135,271,404</u>

The notes on pages 26 to 54 form part of these financial statements.

GEG CAPITAL INVESTMENTS LIMITED

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2023**

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
At 1 April 2021	555,211	64,192,749	2,198,653	66,946,613
Comprehensive income for the year				
Loss for the year	-	-	(213,747)	(213,747)
At 1 April 2022	555,211	64,192,749	1,984,906	66,732,866
Comprehensive income for the year				
Loss for the year	-	-	(24,900)	(24,900)
At 31 March 2023	555,211	64,192,749	1,960,006	66,707,966

The notes on pages 26 to 54 form part of these financial statements.

GEG CAPITAL INVESTMENTS LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2023

	2023 £	2022 £
Cash flows from operating activities		
Profit for the financial year	17,911,506	879,011
Adjustments for:		
Amortisation of intangible assets	5,408,670	5,146,620
Depreciation of tangible assets	7,838,843	6,425,309
Loss on disposal of tangible assets	(1,531,000)	(706,000)
Interest paid	1,815,763	1,330,964
Interest received	(255)	(38)
Taxation charge	3,552,948	2,571,673
(Increase) in stocks	(250,692)	(1,293,402)
(Increase) in debtors	(12,375,859)	(25,431,559)
Increase in creditors	7,734,698	24,192,730
Share of operating profit/(loss) in associates	51,050	(56,000)
Corporation tax (paid)	(691,533)	(1,416,392)
Impairment of intangible assets	68,000	-
Gain on disposal of investments	(12,253,000)	(2,727,000)
Deferred grant release	(322,354)	(216,633)
Impairment of investment in Associate	1,562,000	-
Other movement	-	(3,519)
Net cash generated from operating activities	18,518,785	8,695,764
Cash flows from investing activities		
Purchase of intangible fixed assets	(387,449)	(1,518,932)
Sale of intangible assets	13,000	-
Purchase of tangible fixed assets	(24,248,604)	(18,988,925)
Sale of tangible fixed assets	4,483,283	3,706,350
Interest received	255	38
Payment to acquire subsidiaries	(2,229,016)	(464,000)
Acquisition of non-controlling interest	-	(400,000)
Payment of deferred consideration	(700,000)	(1,882,494)
Cash acquired /(disposed) on acquisition of subsidiaries	(258,000)	(600,000)
Receipt of amount due on subsidiary	10,256,000	-
Proceeds from sale of investments/subsidiary	18,762,000	6,913,000
Net cash from investing activities	5,691,469	(13,234,963)

GEG CAPITAL INVESTMENTS LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

	2023 £	2022 £
Cash flows from financing activities		
Repayment of/new finance leases	6,042,212	(10,833,037)
Movements on invoice discounting	1,389,038	-
Dividends paid	(51,040)	-
Interest paid	(1,815,763)	(1,330,964)
Dividends paid to non-controlling interests	(256,317)	(380,089)
Net movement in bank borrowings	(20,838,600)	11,683,000
Receipt of grants	2,152,000	6,356,000
Net cash used in financing activities	<u>(13,378,470)</u>	<u>5,494,910</u>
Net increase in cash and cash equivalents	10,831,784	955,711
Cash and cash equivalents at beginning of year	6,327,154	5,371,443
Cash and cash equivalents at the end of year	<u><u>17,158,938</u></u>	<u><u>6,327,154</u></u>
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	17,524,938	13,978,154
Bank overdrafts	(366,000)	(7,651,000)
	<u><u>17,158,938</u></u>	<u><u>6,327,154</u></u>

The notes on pages 26 to 54 form part of these financial statements.

GEG CAPITAL INVESTMENTS LIMITED

**CONSOLIDATED ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 MARCH 2023**

	At 1 April 2022 £	Cash flows £	Acquisition and disposal of subsidiaries £	At 31 March 2023 £
Cash at bank and in hand	13,978,154	3,804,784	(258,000)	17,524,938
Bank overdrafts	(7,651,000)	7,285,000	-	(366,000)
Debt due after 1 year	(20,414,575)	19,348,250	-	(1,066,325)
Debt due within 1 year	(5,293,425)	1,490,350	-	(3,803,075)
Finance leases	(12,309,672)	(6,042,212)	-	(18,351,884)
	<u>(31,690,518)</u>	<u>25,886,172</u>	<u>(258,000)</u>	<u>(6,062,346)</u>

The notes on pages 26 to 54 form part of these financial statements.

GEG CAPITAL INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. General information

GEG Capital Investments Limited is a private limited company incorporated in Scotland. The registered office address is 13 Henderson Road, Inverness, IV1 1SN.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires group management to exercise judgment in applying the group's accounting policies (see note 3).

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Profit and Loss Account in these financial statements.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the company and its own subsidiaries ("the group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

Entities, other than subsidiary undertakings, in which the group has a participating interest and over whose operating and financial policies the group exercises a significant influence are treated as associates. In the group financial statements, associates are accounted for using the equity method.

2.3 Going concern

The group regularly monitors its funding position throughout the year to ensure that it has access to sufficient funds to meet its forecast cash requirements. Forecasts are regularly produced to give management's best estimates of forward liquidity, leverage and forecast covenant compliance as defined in the group's loan documentation. This is done to identify risks to liquidity and covenant compliance and to enable management to formulate appropriate and timely mitigation strategies.

The Directors have reviewed the most recent projections and forecasts as prepared as part of its budgeting and strategic planning process, along with assessing severe but plausible downside sensitivity scenarios and their potential impacts on group profitability and cash generation over the same period.

By completing this analysis, these projections indicate that the group's liquidity and covenant headroom is adequate. Therefore, the directors are confident that the group has sufficient covenant headroom as well as adequate cash resources to meet all its liabilities as they fall due over the next 12 months. For these reasons the Directors consider it appropriate to prepare the group financial statements on a going concern basis.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

2. Accounting policies (continued)

2.4 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

2.5 Revenue

Turnover is recognised to the extent that the group obtains the right to consideration in exchange for its performance. Turnover is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales taxes or duty. The following criteria must be met before turnover is recognised:

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

2.6 Operating leases: the group as lessee

Rentals paid under operating leases are charged to the Consolidated statement of comprehensive income on a straight line basis over the lease term. Lease incentives are recognised over the lease term on a straight line basis.

2.7 Leased assets: the group as lessee

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. 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 profit or loss so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

2. Accounting policies (continued)

2.8 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight-line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

2.9 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.10 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.11 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.12 Pensions

Defined contribution pension plan

The group contributes to a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the group pays fixed contributions into a separate entity. Once the contributions have been paid the group has no further payment obligations.

The contributions are recognised as an expense in the Consolidated statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the group in independently administered funds.

Personal plans

The group also contributes to personal plans for certain employees of the company. These contributions are charged in the profit and loss account as they become payable in accordance with the rules of the scheme.

GEG CAPITAL INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.13 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss 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 company and the group operate and generate income.

Deferred tax 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;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

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 the 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 tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.14 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the group but are presented separately due to their size or incidence.

2.15 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Consolidated statement of comprehensive income over its useful economic life.

Other intangible assets

Intangible assets 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.

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 ten years.

GEG CAPITAL INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.16 Tangible fixed assets

Tangible fixed assets under the cost model 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.

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.

Depreciation is provided on the following basis:

Freehold property	- 2.5 - 25% straight line
Long-term leasehold property	- 20% straight line
Plant and machinery	- 10 - 20% straight line
Motor vehicles	- 12.5 - 25% straight line, 20% reducing balance
Fixtures and fittings	- 10% straight line
Office equipment	- 10 - 50% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.17 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each balance sheet date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2.18 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

The carrying value of investments are reviewed for impairment when events or changes in circumstances indicate the value may not be recoverable.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

2. Accounting policies (continued)

2.19 Associates and joint ventures

An entity is treated as a joint venture where the group is a party to a contractual agreement with one or more parties from outside the group to undertake an economic activity that is subject to joint control.

An entity is treated as an associated undertaking where the group exercises significant influence in that it has the power to participate in the operating and financial policy decisions.

In the consolidated accounts, interests in associated undertakings are accounted for using the equity method of accounting. Under this method an equity investment is initially recognised at the transaction price (including transaction costs) and is subsequently adjusted to reflect the investors share of the profit or loss, other comprehensive income and equity of the associate. The Consolidated Profit and Loss Account includes the group's share of the operating results, interest, pre-tax results and attributable taxation of such undertakings applying accounting policies consistent with those of the group. In the Consolidated Balance Sheet, the interests in associated undertakings are shown as the group's share of the identifiable net assets, including any unamortised premium paid on acquisition.

Any premium on acquisition is dealt with in accordance with the goodwill policy.

2.20 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.21 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.22 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the group's cash management.

2.23 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

2. Accounting policies (continued)

2.24 Provisions for liabilities

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 balance sheet 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 Balance Sheet.

2.25 Interest-bearing loans and borrowings

All interest-bearing loans and borrowings which are basic financial instruments are initially recognised at the present value of cash payable to the bank (excluding interest). After initial recognition they are measured at amortised cost using the effective interest rate method, less impairment.

2.26 Grants

Government grants are recognised when it is reasonable to expect that the grants will be received and that all related conditions will be met, usually on submission of a valid claim for payment.

Grants in respect of capital expenditure are credited to a deferred income accounts and are released to profit over the expected useful lives of the relevant assets by equal annual installments.

Grants of a turnover nature are credited to income so as to match them with the expenditure to which they relate.

2.27 Financial instruments

The group has elected to apply the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all of its financial instruments.

The group has elected to apply the recognition and measurement provisions of IFRS 9 Financial Instruments (as adopted by the UK Endorsement Board) with the disclosure requirements of Sections 11 and 12 and the other presentation requirements of FRS 102.

Financial instruments are recognised in the group's Balance Sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables, cash and bank balances, are initially measured at their transaction price including transaction costs and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Discounting is omitted where the effect of discounting is immaterial. The group's cash and cash equivalents, trade and most other receivables due with the operating cycle fall into this category of financial instruments.

GEG CAPITAL INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.27 Financial instruments (continued)

Other financial assets

Other financial assets, which includes investments in equity instruments which are not classified as subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the recognised transaction price. Such assets are subsequently measured at fair value with the changes in fair value being recognised in the profit or loss. Where other financial assets are not publicly traded, hence their fair value cannot be measured reliably, they are measured at cost less impairment.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting date.

Financial assets are impaired when events, subsequent to their initial recognition, indicate the estimated future cash flows derived from the financial asset(s) have been adversely impacted. The impairment loss will be the difference between the current carrying amount and the present value of the future cash flows at the asset(s) original effective interest rate.

If there is a favourable change in relation to the events surrounding the impairment loss then the impairment can be reviewed for possible reversal. The reversal will not cause the current carrying amount to exceed the original carrying amount had the impairment not been recognised. The impairment reversal is recognised in the profit or loss.

Financial liabilities

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

Basic financial liabilities, which include trade and other payables, bank loans, other loans and loans due to fellow group companies are initially measured at their transaction price after transaction costs. When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Discounting is omitted where the effect of discounting is immaterial.

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

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

Other financial instruments

Derivatives, including forward exchange contracts, futures contracts and interest rate swaps, are not classified as basic financial instruments. These are initially recognised at fair value on the date the derivative contract is entered into, with costs being charged to the profit or loss. They are subsequently measured at fair value with changes in the profit or loss.

Debt instruments that do not meet the conditions as set out in FRS 102 paragraph 11.9 are subsequently measured at fair value through the profit or loss. This recognition and measurement

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

2. Accounting policies (continued)

2.27 Financial instruments (continued)

would also apply to financial instruments where the performance is evaluated on a fair value basis as with a documented risk management or investment strategy.

Derecognition of financial instruments

Derecognition of financial assets

Financial assets are derecognised when their contractual right to future cash flow expire, or are settled, or when the group transfers the asset and substantially all the risks and rewards of ownership to another party. If significant risks and rewards of ownership are retained after the transfer to another party, then the group will continue to recognise the value of the portion of the risks and rewards retained.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

2.28 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of financial statements, requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the Statement of Financial Position date and the amounts reported during the year for revenue and costs. However, the nature of estimation means that actual outcomes could differ from those estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The following judgements and estimates have had the most significant impact on amounts recognised in the financial statements.

Goodwill and intangible assets

The Group establishes a reliable estimate of the useful life of goodwill and intangible assets arising on business combinations. This estimate is based on a variety of factors such as the expected use of the acquired business, the expected useful life of the cash generating units to which the goodwill is attributed, any legal, regulatory or contractual provisions that can limit useful life and assumptions that market participants would consider in respect of similar businesses.

Profit recognition on long term contracts

In assessing profit on long term contracts that span the period end, an estimate is required for the stage of completion on individual contracts (where the outcome can be assessed with reasonable certainty). The estimate is determined by management making use of all information available at the time, in order to make a reasonable judgement on the stage of completion and the forecast profitability of the overall contract.

Impairment of non-financial assets

Where there are indicators of impairment of individual assets, the group performs impairment tests based on fair value less costs to sell or a value in use calculation. The fair values less costs to see calculation is based on available data from binding sales transactions in the arm's length transaction on similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the group is not yet committed to or significant future investments that will enhance the asset's performance of the cash generating unit being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash flows and the growth rate used for extrapolation purposes.

Share options

The value of the share options creditor (note 21) is based on an estimate of the amounts payable to minority shareholders of subsidiary companies on exercise of the put and call options related to these shareholdings. The amounts payable are determined by the underlying legal agreements and are subject to the future performance of the subsidiary companies to which they relate. The Directors have prepared a projection of future performance of these subsidiaries taking into account the environment in which they operate and have based the expected obligation on these projections.

GEG CAPITAL INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

4. Turnover

Turnover represents the amounts derived from the provision of goods and services which fall within the group's ordinary activities, stated net of value added tax.

An analysis of turnover by class of business is as follows:

	2023 £	2022 £
Infrastructure and construction	49,842,264	33,377,306
Football Club	4,516,617	3,579,544
Safety and environmental	8,361,710	4,763,723
Employment placement	31,318,538	30,220,653
Energy and other	274,924,265	224,112,001
	<u>368,963,394</u>	<u>296,053,227</u>

Analysis of turnover by destination:

	2023 £	2022 £
United Kingdom	361,969,394	290,665,227
Rest of Europe	4,516,000	1,471,000
Rest of the world	2,478,000	3,917,000
	<u>368,963,394</u>	<u>296,053,227</u>

5. Other operating income

	2023 £	2022 £
Government grants	-	49,655
Research and development tax credits	556,000	491,000
	<u>556,000</u>	<u>540,655</u>

GEG CAPITAL INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

6. Operating profit/(loss)

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

	2023 £	2022 £
Depreciation of tangible fixed assets	7,838,843	6,425,309
Amortisation of other intangible assets	243,051	49,863
Amortisation of goodwill	5,031,619	5,096,757
Operating lease rentals	3,392,579	3,180,208
Exchange differences	5,000	1,932
Release of capital grants	(296,000)	(190,605)

7. Auditor's remuneration

During the year, the group obtained the following services from the company's auditor and its associates:

	2023 £	2022 £
Fees payable to the groups's auditor and its associates for the audit of the group's annual financial statements	24,300	27,300
Fees payable to the Company's auditor in respect of:		
Audit of subsidiary entities	258,850	246,025
Taxation compliance services	124,000	16,000
Other services	72,000	55,000

GEG CAPITAL INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

8. Employees

Staff costs, including directors' remuneration, were as follows:

	Group 2023 £	Group 2022 £
Wages and salaries	108,183,581	86,759,707
Social security costs	12,438,832	9,503,729
Cost of defined contribution scheme	3,045,070	2,225,012
	<u>123,667,483</u>	<u>98,488,448</u>

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

	2023 No.	2022 No.
Management and administration	519	563
Production and playing staff	910	664
Candidates	878	841
	<u>2,307</u>	<u>2,068</u>

9. Directors' remuneration

	2023 £	2022 £
Directors' emoluments	124,965	496,070
Group contributions to defined contribution pension schemes	-	8,972
	<u>124,965</u>	<u>505,042</u>

The value of the group's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £NIL (2022 - £NIL).

10. Interest receivable

	2023 £	2022 £
Other interest receivable	255	38
	<u>255</u>	<u>38</u>

GEG CAPITAL INVESTMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

11. Interest payable and similar expenses

	2023 £	2022 £
Bank interest payable	1,227,757	645,737
Other loan interest payable	30,163	-
Finance leases and hire purchase contracts	557,843	702,227
	<u>1,815,763</u>	<u>1,347,964</u>

12. Taxation

	2023 £	2022 £
Corporation tax		
Current tax on profits for the year	1,899,405	1,499,867
Adjustments in respect of previous periods	29,715	(55,097)
	<u>1,929,120</u>	<u>1,444,770</u>
Foreign tax		
Foreign tax on income for the year	-	474,000
	<u>-</u>	<u>474,000</u>
Total current tax	<u>1,929,120</u>	<u>1,918,770</u>
Deferred tax		
Origination and reversal of timing differences	1,603,366	451,718
Adjustments in respect of prior periods	20,462	201,185
Total deferred tax	<u>1,623,828</u>	<u>652,903</u>
Tax on profit	<u>3,552,948</u>	<u>2,571,673</u>

GEG CAPITAL INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

12. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2022 - higher than) the standard rate of corporation tax in the UK of 19% (2022 - 19%). The differences are explained below:

	2023 £	2022 £
Profit on ordinary activities before tax	21,464,454	3,450,684
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2022 - 19%)	4,078,246	655,630
Effects of:		
Expenses not deductible for tax purposes	1,362,904	342,575
Adjustments to tax charge in respect of prior periods	50,177	146,088
Non-taxable income	(2,465,700)	-
Other timing differences	5,519	203,674
Effect of rate change on deferred tax	390,463	914,003
Fixed asset differences	131,339	309,703
Total tax charge for the year	3,552,948	2,571,673

13. Exceptional items

	2023 £	2022 £
Provision for onerous lease	-	865,000
Dilapidation costs	-	1,800,000
Deal fee written off	-	898,000
Group restructuring costs	-	671,678
Software cost write off	259,999	-
Impairment on associate	1,562,000	-
	1,821,999	4,234,678

During the current and prior year the group had a number of one off non-recurring exceptional costs. The directors believe these costs are exceptional in nature and require to be disclosed separately as a result.

GEG CAPITAL INVESTMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

14. Intangible assets

Group

	Patents £	Lease premium and development expenditure £	Computer software £	Goodwill £	Negative goodwill £	Total £
Cost						
At 1 April 2022	110,000	1,124,000	2,625,445	98,806,568	(1,277,419)	101,388,594
Additions	-	16,449	372,746	1,559,637	-	1,948,832
Disposals	(110,000)	(9,000)	(8,599)	(5,786,000)	-	(5,913,599)
On acquisition of subsidiaries	-	-	4,599	-	-	4,599
On disposal of subsidiaries	-	-	(1,648,000)	-	-	(1,648,000)
At 31 March 2023	-	1,131,449	1,346,191	94,580,205	(1,277,419)	95,780,426
Amortisation						
At 1 April 2022	110,000	195,000	30,445	40,227,345	(754,744)	39,808,046
Charge for the year on owned assets	-	20,051	223,000	5,227,361	(127,742)	5,342,670
On disposals	(110,000)	-	(4,599)	(68,000)	-	(182,599)
Impairment charge	-	-	-	66,000	-	66,000
On acquisition of subsidiaries	-	-	4,599	-	-	4,599
On disposal of subsidiaries	-	-	(226,000)	-	-	(226,000)
At 31 March 2023	-	215,051	27,445	45,452,706	(882,486)	44,812,716
Net book value						
At 31 March 2023	-	916,398	1,318,746	49,127,499	(394,933)	50,967,710
At 31 March 2022	-	929,000	2,595,000	58,579,223	(522,675)	61,580,548

GEG CAPITAL INVESTMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

15. Tangible fixed assets

Group

	Freehold property £	Long-term leasehold property £	Plant and machinery £	Motor vehicles £	Office equipment £	Total £
Cost or valuation						
At 1 April 2022	87,853,970	5,829	48,042,666	2,191,359	4,021,225	142,115,049
Additions	6,740,028	-	15,469,261	1,081,494	957,821	24,248,604
Acquisition of subsidiary	268,031	8,070	432,448	392,221	133,205	1,233,975
Disposals	(771,585)	(482)	(6,774,641)	(444,486)	(131,416)	(8,122,610)
Disposal of subsidiary	(1,179,000)	-	(587,000)	(44,000)	(688,000)	(2,498,000)
At 31 March 2023	<u>92,911,444</u>	<u>13,417</u>	<u>56,582,734</u>	<u>3,176,588</u>	<u>4,292,835</u>	<u>156,977,018</u>
Depreciation						
At 1 April 2022	14,480,783	524	17,774,770	1,239,454	2,913,764	36,409,295
Charge for the year on owned assets	2,489,579	1,519	1,369,684	471,955	518,117	4,850,854
Charge for the year on financed assets	-	-	2,889,870	98,119	-	2,987,989
Disposals	(649,000)	(147)	(4,069,597)	(360,879)	(90,704)	(5,170,327)
Disposal of subsidiary	(180,000)	-	(135,000)	(50,000)	(286,000)	(651,000)
Acquisition of subsidiary	41,417	1,403	315,100	293,254	106,125	757,299
At 31 March 2023	<u>16,182,779</u>	<u>3,299</u>	<u>18,144,827</u>	<u>1,691,903</u>	<u>3,161,302</u>	<u>39,184,110</u>
Net book value						
At 31 March 2023	<u>76,728,665</u>	<u>10,118</u>	<u>38,437,907</u>	<u>1,484,685</u>	<u>1,131,533</u>	<u>117,792,908</u>
At 31 March 2022	<u>73,373,187</u>	<u>5,305</u>	<u>30,267,896</u>	<u>951,905</u>	<u>1,107,461</u>	<u>105,705,754</u>

GEG CAPITAL INVESTMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

15. Tangible fixed assets (continued)

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2023 £	2022 £
Plant and machinery	29,285,217	19,829,198
Motor vehicles	667,612	326,498
	<u>29,952,829</u>	<u>20,155,696</u>

Company

	Plant and machinery £	Motor vehicles £	Computer equipment £	Total £
Cost or valuation				
At 1 April 2022	24,000	3,875	1,054	28,929
At 31 March 2023	<u>24,000</u>	<u>3,875</u>	<u>1,054</u>	<u>28,929</u>
Depreciation				
At 1 April 2022	24,000	3,875	417	28,292
Charge for the year on owned assets	-	-	357	357
At 31 March 2023	<u>24,000</u>	<u>3,875</u>	<u>774</u>	<u>28,649</u>
Net book value				
At 31 March 2023	<u>-</u>	<u>-</u>	<u>280</u>	<u>280</u>
At 31 March 2022	<u>-</u>	<u>-</u>	<u>637</u>	<u>637</u>

GEG CAPITAL INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

16. Fixed asset investments

Group

	Investments in associates £
Cost or valuation	
At 1 April 2022	2,061,000
Additions	51,050
At 31 March 2023	<u>2,112,050</u>
Impairment	
Charge for the period	1,562,000
At 31 March 2023	<u>1,562,000</u>
Net book value	
At 31 March 2023	<u>550,050</u>
At 31 March 2022	<u>2,061,000</u>

The group previously owned 50.1% of Rig Surveys Group Limited and its subsidiaries. During the year, the group disposed of a share of this, bringing the ownership percentage to 49.1%. Given the group has ceased to control the sub-group, it is no longer consolidated in these financial statements and is recognised as an associate. The carrying value of the subsidiary's net assets are taken as the cost on initial measurement of the associate and accordingly no gain or loss has been recognised in relation to this transaction.

Company

	Investments in subsidiary companies £
Cost or valuation	
At 1 April 2022	66,704,568
At 31 March 2023	<u>66,704,568</u>
Net book value	
At 31 March 2023	<u>66,704,568</u>
At 31 March 2022	<u>66,704,568</u>

GEG CAPITAL INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

16. Fixed asset investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Registered office	Class of shares	Holding
GEG Capital Limited	UK**	Ordinary	100%
Ross County Football Club Limited	UK***	Ordinary	58%
Ross County Football Club (1998) Limited	UK***	Ordinary	92%
GEG (Holdings) Limited	UK**	Ordinary	51%
Global Infrastructure Scotland Limited*	UK*****	Ordinary	80%
GEG Capital (North) Ltd*	UK**	Ordinary	58%
GEG Capital (Howemoss) Limited*	UK**	Ordinary	58%
Global Highland Limited*	UK**	Ordinary	100%
Be Personnel Limited*	UK**	Ordinary	100%
Genesis Personnel Limited*	UK**	Ordinary	100%
Cammach Recruitment Limited*	UK**	Ordinary	100%
Bryant Group (Scotland) Limited*	UK**	Ordinary	100%
Cammach Bryant Limited*	UK**	Ordinary	100%
Bryant Personnel Services Limited*	UK**	Ordinary	100%
Mabbett & Associates Limited	UK**	Ordinary	61%
G H Johnston Building Consultants Limited	UK*****	Ordinary	61%
Gael Energy Limited	UK**	Ordinary	51%
Capstone Construction Scotland Limited*	UK**	Ordinary	100%
Capstone Construction Holdings Limited	UK**	Ordinary	100%
Green Energy Partners Holdings Limited	UK*****	Ordinary	60%
GEP Environmental Limited*	UK*****	Ordinary	60%
Smart Energy Optimisation Limited*	UK*****	Ordinary	60%
Capstone Connect Limited*	UK**	Ordinary	100%
GEG (Marine & Logistics) Limited	UK**	Ordinary	51%
Global Energy Nigg Limited*	UK**	Ordinary	51%
Port of Nigg Limited*	UK**	Ordinary	51%
Nigg Energy Park Limited*	UK**	Ordinary	51%
Global Energy Fabrication Limited*	UK**	Ordinary	51%
Global Energy (Group) Limited*	UK**	Ordinary	51%
Global Energy (Engineering & Construction) Limited* **	UK**	Ordinary	43%
Global Energy (Holdings) Limited*	UK**	Ordinary	51%
Reel Group Limited*	UK**	Ordinary	51%
Global Port Services (Scotland) Limited*	UK**	Ordinary	50%
Global Logistics Services Limited*	UK**	Ordinary	50%
Global Energy Corporation Limited*	UK**	Ordinary	51%
Apollo Engineering Consultants Limited*	UK*****	Ordinary	30%
Caledonian Petroleum Services Limited*	UK**	Ordinary	51%
Isleburn Limited*	UK**	Ordinary	51%
Global Power & Process Limited*	UK**	Ordinary	51%
Global Project (Services) Limited* **	UK**	Ordinary	51%
Global Project Services Norge* **	Solheimsgaten 7E, 5058 Bergen, Norway	Ordinary	51%
Magma Products Limited* **	UK**	Ordinary	41%
Global Energy Services Limited*	UK**	Ordinary	51%
Nigg Offshore Wind Asset Company Limited*	UK**	Ordinary	51%
Nigg Offshore Wind Holding Company Limited*	UK**	Ordinary	51%
SLLP 344 Limited*	UK**	Ordinary	51%
TOWER XL Limited	UK**	Ordinary	51%

GEG CAPITAL INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

16. Fixed asset investments (continued)

Subsidiary undertakings (continued)

* Held by a subsidiary undertaking

** During the year, the group disposed of its investment in Global Energy (Engineering & Construction) Limited and subsidiary, and Global Project (Services) Limited (note 36).

UK** registered address is 13 Henderson Road, Inverness, IV1 1SN

UK*** registered address is Jubilee Park Road, Dingwall, Rossshire, IV15 9QZ

UK**** registered address is Beaully Quarry, Wester Balblair, Beaully, Inverness-shire, Scotland, IV4 7BG

UK***** registered address is Nautilus House, 35 Waterloo Quay, Aberdeen, AB11 5BS

UK***** registered address is Unit 5, Basepoint Business Centre, 1 Winnall Valley Road, Winchester, SO23 0LD

UK***** registered address is 28 Albyn Place, Aberdeen, AB10 1YL

All companies listed above are considered to be subsidiaries on the basis of control.

17. Stocks

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Properties held for resale	687,717	686,036	-	-
Work in progress (goods to be sold)	1,005,022	880,489	-	-
Raw materials and consumables	893,753	1,279,275	-	-
	<u>2,586,492</u>	<u>2,845,800</u>	<u>-</u>	<u>-</u>

GEG CAPITAL INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

18. Debtors

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Trade debtors	38,628,220	38,497,500	121,675	48,509
Other debtors	4,158,600	3,050,759	55,446	81,423
Prepayments and accrued income	4,690,917	8,080,067	-	-
Amounts recoverable on long-term contracts	10,381,801	27,912,333	-	-
Tax recoverable	59,835	21,026	-	-
Deferred taxation	-	-	39,075	31,682
	<u>57,919,373</u>	<u>77,561,685</u>	<u>216,196</u>	<u>161,614</u>

19. Cash and cash equivalents

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Cash at bank and in hand	17,524,938	13,978,154	25,177	17,639
Less: bank overdrafts	(366,000)	(7,651,000)	-	-
	<u>17,158,938</u>	<u>6,327,154</u>	<u>25,177</u>	<u>17,639</u>

20. Creditors: Amounts falling due within one year

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Bank overdrafts	366,000	7,651,000	-	-
Bank loans	3,750,000	5,250,000	-	-
Other loans	53,075	43,425	-	-
Trade creditors	26,279,439	28,598,271	161,207	9,930
Amounts owed to group undertakings	-	-	77,048	126,232
Corporation tax	231,585	1,522,024	-	-
Other taxation and social security	8,063,913	6,649,508	-	13,479
Obligations under finance lease and hire purchase contracts	4,400,453	3,263,174	-	-
Proceeds of factored debts	1,389,038	-	-	-
Other creditors	4,112,606	2,142,660	-	1,951
Accruals and deferred income	24,958,518	39,491,777	-	-
	<u>73,604,627</u>	<u>94,611,839</u>	<u>238,255</u>	<u>151,592</u>

GEG CAPITAL INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

21. Creditors: Amounts falling due after more than one year

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Bank loans	-	19,300,000	-	-
Other loans	1,066,325	1,114,575	-	-
Net obligations under finance leases and hire purchase contracts	13,951,431	9,046,498	-	-
Other creditors	3,502,736	5,553,063	-	-
Capital grants	460,660	487,015	-	-
Government grants received	14,023,000	12,166,673	-	-
	<u>33,004,152</u>	<u>47,667,824</u>	<u>-</u>	<u>-</u>

The other creditors balance includes amounts payable to acquire the minority shareholdings of subsidiary companies. The amounts are subject to put and call option agreements that were in place at the balance sheet date, and as such the exercise of such options are potentially outside the control of the group. Given the circumstances set out and that the future exercise of the options are considered to be highly likely, the directors consider it appropriate to recognise the expected obligation at the balance sheet date.

GEG CAPITAL INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

22. Loans

Analysis of the maturity of loans is given below:

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Amounts falling due within one year				
Bank loans	3,750,000	5,250,000	-	-
Other loans	53,075	43,425	-	-
	<u>3,803,075</u>	<u>5,293,425</u>	<u>-</u>	<u>-</u>
Amounts falling due 1-2 years				
Bank loans	-	7,050,000	-	-
Other loans	57,900	57,900	-	-
	<u>57,900</u>	<u>7,107,900</u>	<u>-</u>	<u>-</u>
Amounts falling due 2-5 years				
Bank loans	-	12,250,000	-	-
Other loans	173,700	231,600	-	-
	<u>173,700</u>	<u>12,481,600</u>	<u>-</u>	<u>-</u>
Amounts falling due after more than 5 years				
Other loans	834,725	825,075	-	-
	<u>4,869,400</u>	<u>25,708,000</u>	<u>-</u>	<u>-</u>

As at 31 March 2023 the group and Company had 3 outstanding loan facilities.

Facility A is a £2,000,000 loan facility with quarterly repayments of £250,000 which commenced in April 2022. The balance on the facility at 31 March 2023 was £750,000. Interest is charged on the loan at base rate + 2.25%.

Facility B is a revolving loan facility which allows for a maximum drawdown of £3,000,000, the balance on this facility as at 31 March 2023 was £3,000,000. The facility is repayable no later than 23rd December 2023 this is secured by the bonding floating charge. Interest is charged on the loan at base rate + 2.25%..

The banking facilities are secured by a charge over certain properties owned by the group.

Following the disposal of certain subsidiaries during the year, the company and group settled all banking facilities.

As at 31 March 2023 a revolving credit facility of £15,000,000 remains in place, repayable on its final maturity date in October 2024. Interest is payable on the loan at a margin over LIBOR set by the terms of the loan agreement.

Other loans relate to an advance by the Scottish government to support the football business in response to Covid-19. Repayments of the loan are over a 20 year period in equal monthly instalments. The loan is interest free and unsecured.

GEG CAPITAL INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

23. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	Group 2023 £	Group 2022 £
Within one year	4,400,453	3,263,174
Between 1-5 years	13,951,432	9,046,498
	<u>18,351,885</u>	<u>12,309,672</u>

24. Financial instruments

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Financial assets				
Financial assets measured at fair value through profit or loss	17,524,938	13,978,154	25,177	17,639
Financial assets that are debt instruments measured at amortised cost	42,813,966	41,548,259	1,454,121	129,932
	<u>60,338,904</u>	<u>55,526,413</u>	<u>1,479,298</u>	<u>147,571</u>
Financial liabilities				
Financial liabilities measured at fair value through profit or loss	(366,000)	(7,651,000)	-	-
Financial liabilities measured at amortised cost	(95,812,659)	126,457,171)	(238,255)	(138,113)
	<u>(96,178,659)</u>	<u>134,108,171)</u>	<u>(238,255)</u>	<u>(138,113)</u>

Financial assets measured at fair value through profit or loss comprise cash at bank and in hand.

Financial assets that are debt instruments measured at amortised cost comprise trade and other debtors.

Other financial liabilities measured at fair value through profit and loss comprise bank overdrafts.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors, accruals and amounts owed to related companies.

GEG CAPITAL INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

25. Deferred taxation

Group

	2023 £	2022 £
At beginning of year	(3,796,847)	(3,782,964)
Charged to profit or loss	(1,623,828)	(652,903)
Movement on business combinations	(40,613)	639,020
At end of year	(5,461,288)	(3,796,847)

Company

	2023 £	2022 £
At beginning of year	31,682	17,916
Charged to profit or loss	7,393	13,766
At end of year	39,075	31,682

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Accelerated capital allowances	(7,012,417)	(5,546,845)	2,572	2,483
Tax losses carried forward	495,565	-	-	-
Other timing differences	944,000	1,488,280	36,503	29,199
Short term timing differences	111,564	261,718	-	-
	(5,461,288)	(3,796,847)	39,075	31,682

26. Deferred government grants

The movement in deferred government grants in the year is as follows:

	Group 2023 £
At 31 March	12,167,000
Received in year	2,152,000
Released in year	(296,000)
At 31 March	14,023,000

GEG CAPITAL INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

27. Provisions

Group

	HSE provision £
At 1 April 2022	250,000
Charged to profit or loss	(250,000)
At 31 March 2023	-

Following an incident at one of the group's premises, a provision was recognised for the expected financial penalty. This was settled during the year and the remaining provision was released.

28. Share capital

	2023 £	2022 £
Allotted, called up and fully paid		
555,211 (2022 - 555,211) Ordinary shares of £1.00 each	555,211	555,211

29. Capital commitments

At 31 March 2023 the group and company had capital commitments as follows:

	Group 2023 £	Group 2022 £
Contracted for but not provided in these financial statements	8,453,089	12,492,000

30. Pension commitments

The group contributes to a defined contributions pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £2,170,495 (2022 - £1,945,005). Contributions totaling £343,005 (2022 - £385,804) were payable to the fund at the reporting date.

GEG CAPITAL INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

31. Commitments under operating leases

At 31 March 2023 the group and the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2023 £	Group 2022 £
Land and buildings		
Not later than 1 year	1,824,283	313,303
Later than 1 year and not later than 5 years	5,463,614	385,649
Later than 5 years	29,070,000	-
	<u>36,357,897</u>	<u>698,952</u>
	Group 2023 £	Group 2022 £
Other		
Not later than 1 year	610,099	3,112,810
Later than 1 year and not later than 5 years	554,372	7,478,471
Later than 5 years	-	8,605,394
	<u>1,164,471</u>	<u>19,196,675</u>

32. Related party transactions

During the year the group entered into transactions, in the ordinary course of business, with other related parties. Transactions entered into, and trading balances outstanding at 31 March 2023 are as follows:

	Sales £	Purchases £	Year end balance £
Entities under control of a close family member of a controlling party	-	966,706	125,865
Entities with a common shareholder	51,205	705,400	80,238
	<u>51,205</u>	<u>1,672,106</u>	<u>206,103</u>

Key management personnel

All employees who have authority and responsibility for planning, directing and controlling the activities of the group are considered to be key management personnel. Total remuneration in respect of these individuals is £339,000 (2022: £1,235,000).

33. Post balance sheet events

On 2nd June 2023, the group acquired a majority shareholding in IKM Consulting Ltd (SC179251).

GEG CAPITAL INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

34. Controlling party

During the year, the controlling party identified by the group is R J MacGregor.

35. Business combinations

In May 2022, the group acquired a 60% stake in Green Energy Partners Holdings Limited and subsidiaries. The cash consideration for the purchase was £1,023,203 and the share of net assets acquired were £389,766 resulting in goodwill of £633,437.

In the same month, the group also acquired a 100% stake in Capstone Construction Holdings Limited and subsidiaries. The cash consideration for the purchase was £864,305 and the share of net assets acquired were £345,614 resulting in goodwill of £518,691.

36. Disposal of subsidiaries

During the year, the group disposed of its entire controlling stake in Global Project Services Limited, and its subsidiary, Global Project Norge and Global Energy (Engineering & Construction) Limited and its subsidiary Magma Products Limited.

An element of the disposal proceeds relating to Global Energy (Engineering & Construction) Limited and its subsidiary Magma Products Limited was subject to trading performance following the disposal of the entities. At the time of approval of these financial statements no formal agreement has been reached in respect of these final amounts and while the directors consider the receipt probable, it is not virtually certain and accordingly the amount totaling £4.86m is not been recognised in these financial statements and is considered to be a contingent asset.

The following table summarises this transaction for the year ended 31 March 2023:

	Global (Engineering & Construction) Limited £	Global Project (Services) Limited £	Total £
Proceeds from sale	17,465,000	1,297,000	18,762,000
Net asset at point of sale	(5,407,000)	(992,000)	(6,399,000)
Deal costs	(50,000)	(60,000)	(110,000)
Gain on disposal	12,008,000	245,000	12,253,000