

Registered number: 00925049

RG Carter Group Limited

Unaudited

Annual Report and Financial Statements

For the Year Ended 31 December 2022

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COMPANIES HOUSE

RG Carter Group Limited

Company Information

Directors	RG Carter RER Carter JGS Carter N Keen RM Jeffries Sir AJ Habgood EC Vinters
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Company secretary	RJ Alflatt
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Registered number	00925049
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Registered office	Drayton Norwich Norfolk NR8 6AH
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Introduction

The purpose of the Company is to act as the centre for the management and administration services provided to the R.G. Carter Group and in this respect its income is largely generated from the Group.

Business review

The Directors report a loss before tax of £886,000 (2021 - loss £2,927,000). With net assets of £50,512,000 (2021 - £51,839,000).

Employee numbers have remained consistent at 19 (2021 - 18) and continues to improve the service provided to the Group by making available a highly trained and dedicated workforce.

Principal risks and uncertainties

One of the key areas of the Company's business strategies is its ability to identify and manage effectively the risks to its business and operations. The Company's approach, through its Integrated Management Systems, is to identify the key risks and then assess the effectiveness of controls to mitigate the impact and likelihood of these risks occurring. The principal risks are set out below, together with a summary of the actions taken to mitigate each risk.

Economic climate

The Company considers the effect of the current economic climate on contractual terms and conditions, availability of labour resources and potential volatility in procuring materials.

To mitigate against this, the Company works with a broad and diverse range of clients, who themselves operate across a number of different markets.

Health and safety and environmental impact

The Company's business is inherently complex and requires monitoring and management of health, safety and environmental risks.

Processes are in place to minimise these risks and are monitored by a Company resource in accordance with OHAS18001 and ROSPA standards.

Legal and regulatory

The Company is subject to a number of legal and regulatory requirements which are monitored and any new developments responded to.

Contracts entered into by the Company are subjected to a review process to ensure that risks are identified and, where necessary, appropriate processes are put in place to mitigate those risks.

Reputation and business conduct

The Company's ability to tender for new work is dependent on its relationship with its customers and other stakeholders.

The Company monitors performance through customer feedback and complies with the Bribery Act 2010.

Geo-political impact

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

Financial risk management objectives and policies

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

Financial and non-financial key performance indicators

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

	2022 £	2021 £
Gross profit	3,417,000	2,964,000
Loss before tax	(886,000)	(2,927,000)
Cash at bank and in hand	271,000	420,000
Staff headcount increase	1	No change

Directors' statement of compliance with duty to promote the success of the Company

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

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

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

Colleagues

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

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

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

Customers

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

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

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

Supply Chain

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

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

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

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

Shareholder

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

Communities and Environment

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

Other Stakeholders

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

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

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


Business Conduct

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

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

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

This report was approved by the board on *19 September 2023* and signed on its behalf.



RJ Alflatt
Secretary

**Directors' Report
For the Year Ended 31 December 2022**

The Directors present their report and the financial statements for the year ended 31 December 2022.

Results and dividends

The loss for the year, after taxation, amounted to £1,079,000 (2021 - loss £2,620,000).

Dividends of £248,000 were paid during the year (2021 - £992,000).

Charitable donations of £Nil were made during the year (2021 - £375,000). No political contributions were made during the year (2021 - £Nil).

Directors

The Directors who served during the year were:

RG Carter
RER Carter
JGS Carter
N Keen
RM Jeffries
Sir AJ Habgood
EC Vinters

Greenhouse gas emissions, energy consumption and energy efficiency action

The Company has taken advantage of the disclosure exemption for greenhouse gas emissions, energy consumption and energy efficiency action for subsidiary companies.

This information is included in the consolidated financial statements of R.G. Carter Holdings Limited as at 31 December 2022 and these financial statements may be obtained from Companies House.

Matters covered in the Strategic Report

Under S414c(11) of the Companies Act 2006, the following information is included in the Strategic Report:

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

Post balance sheet events

There have been no significant events affecting the Company since the year end.

This report was approved by the board on *19 September 2023* and signed on its behalf.

RJ Alflatt

RJ Alflatt
Secretary

**Statement of Income and Retained Earnings
For the Year Ended 31 December 2022**

	Note	2022 £000	2021 £000
Turnover	4	3,417	2,964
Gross profit		3,417	2,964
Administrative expenses		(4,477)	(6,451)
Other operating income	5	844	241
Other operating charges		(527)	-
Operating loss	6	(743)	(3,246)
Income from shares in group undertakings		-	250
Income from fixed assets investments		4	6
Interest receivable and similar income	10	85	63
Interest payable and similar expenses		(232)	-
Loss before tax		(886)	(2,927)
Tax on loss	12	(193)	307
Loss after tax		(1,079)	(2,620)
Retained earnings at the beginning of the year		51,063	54,675
		51,063	54,675
Loss for the year		(1,079)	(2,620)
Dividends declared and paid		(248)	(992)
Retained earnings at the end of the year		49,736	51,063

There were no recognised gains and losses for 2022 or 2021 other than those included in the statement of income and retained earnings.

The notes on pages 9 to 24 form part of these financial statements.

Statement of Financial Position
As at 31 December 2022

	Note	2022 £000	2021 £000
Fixed assets			
Tangible assets	14	16,635	17,069
Investments	15	4,031	4,031
		20,666	21,100
Current assets			
Debtors: amounts falling due after more than one year	16	-	74,354
Debtors: amounts falling due within one year	16	73,291	753
Cash at bank and in hand	17	271	420
		73,562	75,527
Creditors: amounts falling due within one year	18	(43,516)	(44,572)
Net current assets		30,046	30,955
Total assets less current liabilities		50,712	52,055
Provisions for liabilities			
Deferred tax	19	(200)	(216)
		(200)	(216)
Net assets		50,512	51,839
Capital and reserves			
Called up share capital	20	242	242
Other reserves	21	534	534
Profit and loss account	21	49,736	51,063
		50,512	51,839

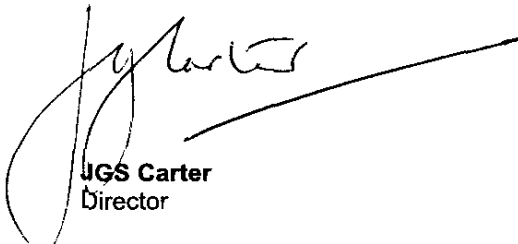
Statement of Financial Position (continued)
As at 31 December 2022

The Directors considers that the Company is entitled to exemption from the requirement to have an audit under the provisions of section 479A of the Companies Act 2006.

The members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on
19 September 2023.



JGS Carter
Director

The notes on pages 9 to 24 form part of these financial statements.

**Notes to the Financial Statements
For the Year Ended 31 December 2022**

1. General information

The Company is a private Company limited by shares, registered in England and Wales.

The address of the registered office is 9-11 Drayton High Road, Drayton, Norwich, Norfolk, NR8 6AH and its principal place of business is in the United Kingdom.

The principal activity of the Company is the provision of services to the RG Carter Group.

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 management to exercise judgement in applying the Company's accounting policies (see note 3).

2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of R.G. Carter Holdings Limited as at 31 December 2022 and these financial statements may be obtained from Companies House.

2.3 Exemption from preparing consolidated financial statements

The Company is a parent company that is also a subsidiary included in the consolidated financial statements of a larger group by a parent undertaking established under the law of any part of the United Kingdom and is therefore exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006.

2. Accounting policies (continued)

2.4 Going concern

The financial statements have been prepared on a going concern basis which the Directors consider to be appropriate for the following reasons.

The Directors of R.G. Carter Holdings Limited have prepared a Group cash flow forecast for a period to December 2024 which indicates that the Group will have sufficient funds to support the Company, to meet its liabilities as they fall due for that period, including not seeking repayment of the amounts currently due to the Group.

R.G. Carter Holdings Limited has indicated its intention to continue to make available such funds as are needed by the Company, and that it does not intend to seek repayment of the amounts due at the balance sheet date, for the period covered by the Group forecast. As with any company placing reliance on other Group entities for financial support, the Directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

R.G. Carter Holdings Limited has conducted a reverse stress test on the ability of the Group to continue as a going concern which the Directors have reviewed. This assumes that the Group generates no revenue and assumes no changes to its fixed cost base for the period ending 31 December 2024. This shows that even when applying the reverse stress test scenario the Group would still be able to meet its liabilities as they fall due for the forecast period.

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

2.5 Revenue

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided to the RG Carter Group.

2.6 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

2.7 Government grants

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

Grants of a revenue nature are recognised in the Statement of Income and Retained Earnings in the same period as the related expenditure.

2.8 Interest income

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

**Notes to the Financial Statements
For the Year Ended 31 December 2022**

2. Accounting policies (continued)

2.9 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.

2.10 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

Group pension plan

The Company participates in the R.G. Carter Limited and Associated Companies Pension Fund. This is a defined benefit group scheme, the assets and liabilities of which are held independently from the Group. The Company is unable to identify its share of the underlying assets and liabilities of the scheme and accordingly accounts for the scheme as if it were a defined contribution scheme.

2.11 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 reporting date in the countries where the Company operates and generates income.

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

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

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between 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 reporting date.

**Notes to the Financial Statements
For the Year Ended 31 December 2022**

2. Accounting policies (continued)

2.12 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.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Land is not depreciated. Depreciation on other assets 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% straight line
Motor vehicles	- 20 - 25% straight line
Fixtures and fittings	- 15 - 33% 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.

2.13 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in listed company shares are remeasured to market value at each reporting date. Gains and losses on remeasurement are recognised in profit or loss for the period.

Interests in subsidiaries are assessed for impairment at each reporting date.

2.14 Debtors

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

A provision for impairment of trade debtors is established and recognised in profit and loss when there is objective evidence that the amounts due will not be collected according to the original terms of the contract.

2.15 Cash and cash equivalents

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

**Notes to the Financial Statements
For the Year Ended 31 December 2022**

2. Accounting policies (continued)

2.16 Creditors

Short-term creditors are measured at the transaction price less any amounts settled.

2.17 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company 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 Company becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

2.18 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Investments in non-derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the Statement of Income and Retained Earnings if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Income and Retained Earnings.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold

**Notes to the Financial Statements
For the Year Ended 31 December 2022**

2. Accounting policies (continued)

2.18 Financial instruments (continued)

at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an 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.

2.19 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 a board meeting.

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

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

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

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

The Directors also make judgements regarding the classification of tangible assets and whether they should be recognised as investment properties based on the purpose within the entity.

4. Turnover

The whole of the turnover is attributable to the Company's principal activity.

All turnover arose within the United Kingdom.

5. Other operating income

	2022	2021
	£000	£000
Rents receivable	844	238
Sundry income	-	3
	844	241

**Notes to the Financial Statements
For the Year Ended 31 December 2022**

6. Operating loss

The operating loss is stated after charging:

	2022	2021
	£000	£000
Other operating lease rentals	69	72
Depreciation of tangible fixed assets	455	455
Profit on disposal of tangible fixed assets	(1)	-
	<u> </u>	<u> </u>

7. Employees

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

	2022	2021
	£000	£000
Wages and salaries	1,939	1,593
Social security costs	255	179
Cost of defined contribution scheme	171	119
	<u>2,365</u>	<u>1,891</u>

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

	2022	2021
	No.	No.
Administrative staff	12	11
Directors	7	7
	<u>19</u>	<u>18</u>

**Notes to the Financial Statements
For the Year Ended 31 December 2022**

8. Directors' remuneration

	2022	2021
	£000	£000
Directors' emoluments	1,450	1,087
Company contributions to defined contribution pension schemes	102	60
	1,552	1,147

During the year retirement benefits were accruing to 3 Directors (2021 - 3) in respect of defined contribution pension schemes.

The highest paid Director received remuneration of £391,000 (2021 - £262,000).

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid Director amounted to £19,000 (2021 - £Nil).

9. Income from investments

	2022	2021
	£000	£000
Income from current asset investments	4	6
	4	6

10. Interest receivable

	2022	2021
	£000	£000
Interest receivable from group companies	20	2
Other interest receivable	65	61
	85	63

11. Interest payable and similar expenses

	2022	2021
	£000	£000
Loans from group undertakings	232	-
	232	-

Notes to the Financial Statements
For the Year Ended 31 December 2022

12. Taxation

	2022 £000	2021 £000
Corporation tax		
Current tax on profits for the year	209	(293)
Adjustments in respect of previous periods	-	(54)
	<u>209</u>	<u>(347)</u>
Total current tax	<u>209</u>	<u>(347)</u>
Deferred tax		
Origination and reversal of timing differences	(18)	38
Adjustments in respect of prior periods	2	2
	<u>(16)</u>	<u>40</u>
Total deferred tax	<u>(16)</u>	<u>40</u>
Taxation on profit/(loss) on ordinary activities	<u>193</u>	<u>(307)</u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2021 - higher than) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	2022 £000	2021 £000
Loss on ordinary activities before tax	<u>(886)</u>	<u>(2,927)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	(168)	(556)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	301	235
Capital allowances for year in excess of depreciation	74	77
Adjustments to tax charge in respect of prior periods	2	(52)
Other timing differences leading to an increase (decrease) in taxation	(15)	38
Non-taxable income	-	(48)
Dividends from UK companies	(1)	(1)
Total tax charge for the year	<u>193</u>	<u>(307)</u>

**Notes to the Financial Statements
For the Year Ended 31 December 2022**

12. Taxation (continued)

Factors that may affect future tax charges

On 24 May 2021 an increase to the UK tax rate to 25% from 1 April 2023 was substantively enacted. This will have a consequential effect on the Company's future tax charge.

The deferred tax balances have been calculated at the balance sheet date using the rate of 25% (2021 - 25%).

13. Dividends

	2022 £000	2021 £000
Dividends paid	248	992
	248	992

14. Tangible fixed assets

	Freehold property £000	Motor vehicles £000	Fixtures and fittings £000	Total £000
Cost or valuation				
At 1 January 2022	25,886	14	369	26,269
Additions	-	-	21	21
Disposals	-	(14)	(7)	(21)
At 31 December 2022	25,886	-	383	26,269
Depreciation				
At 1 January 2022	8,832	14	354	9,200
Charge for the year on owned assets	440	-	15	455
Disposals	-	(14)	(7)	(21)
At 31 December 2022	9,272	-	362	9,634
Net book value				
At 31 December 2022	16,614	-	21	16,635
At 31 December 2021	17,054	-	15	17,069

**Notes to the Financial Statements
For the Year Ended 31 December 2022**

15. Fixed asset investments

	Investments in subsidiary companies £000	Listed investments £000	Total £000
Cost or valuation			
At 1 January 2022	3,891	140	4,031
At 31 December 2022	3,891	140	4,031

Notes to the Financial Statements
For the Year Ended 31 December 2022

15. Fixed asset investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
RGCC Limited	1	Ordinary	100%
Bullen Developments Limited	2	Ordinary	100%
Drayton Farms Group Limited	2	Ordinary	100%
R.G. Carter Construction Limited	1	Ordinary	100%
Drayton Building Services Limited	1	Ordinary	100%
R.G. Carter Limited	1	Ordinary	100%
R.G. Carter Lincoln Limited	3	Ordinary	100%
R.G. Carter Cambridge Limited	1	Ordinary	100%
R.G. Carter Southern Limited	1	Ordinary	100%
FisherBullen Limited	1	Ordinary	100%
John Youngs Limited	3	Ordinary	100%
Carter Homes Limited	1	Ordinary	100%
Central Trades Limited	1	Ordinary	100%
R.G. Carter Projects Limited	3	Ordinary	100%
R.G. Carter Technical Services Limited	3	Ordinary	100%
R.G. Carter Engineering Limited	1	Ordinary	100%
R.G. Carter Civil Engineering Limited	1	Ordinary	100%
G.M. Piling Limited	1	Ordinary	100%
Ground Technology Services Limited	1	Ordinary	100%
Central Garages Limited	1	Ordinary	100%
Youngs Doors Limited	1	Ordinary	100%
Drayton Windows Limited	1	Ordinary	100%
Builders Equipment Limited	1	Ordinary	100%
Norfolk Gravel Limited	1	Ordinary	100%
Eyre Building Services Group Limited	1	Ordinary	100%
Sonata Security Limited	1	Ordinary	100%
Norfolk & Norwich Property Company Limited	2	Ordinary	100%
Wensum Developments Limited	2	Ordinary	100%
NRP Car Parking Limited	2	Ordinary	100%
Drayton Farms Limited	4	Ordinary	100%
Burnham Farms Limited	2	Ordinary	100%

1) The registered office is 9-11 Drayton High Road, Drayton, Norwich, Norfolk, NR8 6AH.

2) The registered office is The Lowlands, Costessey Lane, Drayton Norwich, Norfolk, NR8 6HA.

3) The registered office is Drayton, Norwich, Norfolk, NR8 6AH.

4) The registered office is Manor Farm, Holly Lane, Horsford, Norwich, Norfolk, NR10 3TQ.

The principal activities of the Companies have been disclosed in the consolidated financial statements of R.G. Carter Holdings Limited.

**Notes to the Financial Statements
For the Year Ended 31 December 2022**

16. Debtors

	2022 £000	2021 £000
Due after more than one year		
Amounts owed by group undertakings	-	71,811
Other debtors	-	2,543
	<u>-</u>	<u>74,354</u>
	2022 £000	2021 £000
Due within one year		
Trade debtors	12	129
Amounts owed by group undertakings	73,079	83
Other debtors	135	491
Prepayments and accrued income	65	50
	<u>73,291</u>	<u>753</u>

Included in amounts owed by group undertakings due within one year £71,261,000 (2021 - £Nil) that is expected to be recovered in a period greater than one year.

Included within other debtors due within one year are loans to a Director of £32,000 (2021 - £Nil). These are short-term interest free loans, repayable on demand.

17. Cash and cash equivalents

	2022 £000	2021 £000
Cash at bank and in hand	271	420
	<u>271</u>	<u>420</u>

Notes to the Financial Statements
For the Year Ended 31 December 2022

18. Creditors: Amounts falling due within one year

	2022	2021
	£000	£000
Trade creditors	31	689
Amounts owed to group undertakings	42,787	43,093
Corporation tax	-	539
Other taxation and social security	219	150
Other creditors	341	39
Accruals and deferred income	138	62
	43,516	44,572

19. Deferred taxation

	2022	2021
	£000	£000
At beginning of year	(216)	(176)
Charged to profit or loss	16	(40)
At end of year	(200)	(216)

The provision for deferred taxation is made up as follows:

	2022	2021
	£000	£000
Accelerated capital allowances	(126)	(138)
Other timing differences	(74)	(78)
	(200)	(216)

20. Share capital

	2022	2021
	£000	£000
Authorised		
1,500,000 (2021 - 1,500,000) Ordinary shares of £1.00 each	1,500	1,500
Allotted, called up and fully paid		
241,806 (2021 - 241,806) Ordinary shares of £1.00 each	242	242

**Notes to the Financial Statements
For the Year Ended 31 December 2022**

21. Reserves

Other reserves

This reserve records capital reserves.

Profit and loss account

This reserve records retained earnings and accumulated losses.

22. Contingent liabilities

The Group bank account is in the name of R.G. Carter Group Limited. As a result the company, in conjunction with certain other subsidiary undertakings, has jointly and severally entered into a bank guarantee in respect of these overdraft facilities. There was no Group overdraft at 31 December 2022 (2021 - £Nil).

23. Pension commitments

The Company participates in a defined benefit scheme, the R.G. Carter Limited and Associated Companies Pension Fund, which shares risks between entities under common control of R.G. Carter Holdings Limited, who are the sponsoring employer for the plan. As there is no contractual agreement or stated policy for charging the net defined benefit cost of the scheme to individual members of the R.G. Carter Holdings Limited group, the net defined benefit cost of the scheme has been recognised in the individual financial statements of R.G. Carter Holdings Limited. The Company has in line with FRS102 recognised a cost equal to their contribution payable for the period.

Information about the plan can be found in the publicly available financial statements of R.G. Carter Holdings Limited. This includes but is not limited to a general description of the plan, its funding policy, details of the most recent actuarial valuation and details of each major class of asset.

The Group also operates a defined contribution pension scheme for certain designated site and staff positions. The assets are held independently from those of the Group in individual members' funds. The Company's contributions charged for the year to 31 December 2022 were £171,000 (2021 - £119,000).

24. Commitments under operating leases

At 31 December 2022 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2022	2021
	£000	£000
Not later than 1 year	24	-
Later than 1 year and not later than 5 years	61	-
	85	-

25. Related party transactions

The R.G. Carter Holdings Limited Group holds a 50% beneficial interest in the issued share capital of C. & H. Quick-Mix Limited. Throughout the year C. & H. Quick-Mix Limited has operated from two sites owned by RG Carter Group Limited which have been occupied at a rent of £55,000 per annum (2021 - £55,000). As at 31 December 2022, £Nil was outstanding from C. & H. Quick-Mix Limited (2021 - £Nil).

26. Controlling party

The parent undertaking of the Company is R.G. Carter Holdings Limited, which is incorporated in England and Wales. Its registered office is Drayton, Norwich, Norfolk, NR8 6AH.

The ultimate controlling party is Mr RG Carter.