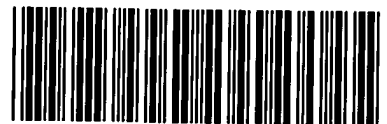

KAMM CIVIL ENGINEERING LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2022

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COMPANIES HOUSE

KAMM CIVIL ENGINEERING LIMITED

COMPANY INFORMATION

Directors	Adam McCormack Keith McWilliams
Company secretary	Keith McWilliams
Registered number	03128029
Registered office	Bridge House 21 West Street Ringwood Hampshire BH24 1DY
Independent auditors	Clifford Fry & Co LLP St Mary's House Netherhampton Salisbury Wiltshire SP2 8PU

KAMM CIVIL ENGINEERING LIMITED

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KAMM CIVIL ENGINEERING LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 30 NOVEMBER 2022

Vision

As a Group, KAMM remain focused on the provision of Quality Groundwork Solutions for our clients.

Organisational Structure and Governance

The Board convenes on a quarterly basis. The Board consists of two working directors. Monthly meetings are held with the senior leadership team, with representation from Sales, Operations and Finance. We carry out an annual review of the governance process and the risk register including business continuity.

Review of the Business

The business continues to experience strong growth and maintains a respected presence in its market sector.

Future Developments

We continue to improve our Management Systems. In the coming year this will include the introduction of COINS software, which is a fully integrated software solution incorporating all aspects of the business. We are also progressing towards achieving the ISO 4000 standard this year.

Operational Risk

Possible challenges for the business include future increases in interest rates for borrowers, thus dampening demand in the private housing sector. This in turn may lead to a slowdown in build rates for our clients. However, we believe that if demand for private housing diminishes, our clients will look to increase the rate of output of the social housing units already specified in their orders, as these will continue to be in demand.

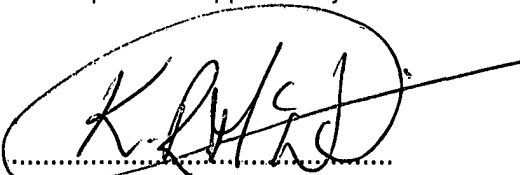
Quality of staff

We continue to prioritise best practice and continued development of skill levels amongst our team. Regular appraisals are carried out, and we are pro-active in ensuring that our team are trained and qualified to meet the demands of their roles.

This report was approved by the board on

17/08/23

and signed on its behalf.



Keith McWilliams
Director

KAMM CIVIL ENGINEERING LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 NOVEMBER 2022

The directors present their report and the financial statements for the year ended 30 November 2022.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with 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 of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The profit for the year, after taxation, amounted to £5,397,868 (2021 - £5,325,990).

The directors have paid a final dividend of £3,781,633 (2021 - £4,548,594).

Directors

The directors who served during the year were:

Adam McCormack
Keith McWilliams

Future developments

The Company continues to trade successfully with no material future developments planned.

Disclosure of information to auditors

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's auditors are 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's auditors are aware of that information.

KAMM CIVIL ENGINEERING LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 NOVEMBER 2022**

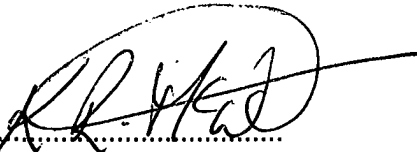
Post balance sheet events

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

Auditors

The auditors, Clifford Fry & Co LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 17/08/23 and signed on its behalf.



.....
Keith McWilliams
Director

KAMM CIVIL ENGINEERING LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KAMM CIVIL ENGINEERING LIMITED

Opinion

We have audited the financial statements of KAMM Civil Engineering Limited (the 'Company') for the year ended 30 November 2022, which comprise the Statement of income and retained earnings, the Balance sheet, the Statement of cash flows 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 Company's affairs as at 30 November 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 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.

KAMM CIVIL ENGINEERING LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KAMM CIVIL ENGINEERING LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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 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 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 Company and its environment obtained in the course of the audit, we have not identified material misstatements in the 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

KAMM CIVIL ENGINEERING LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KAMM CIVIL ENGINEERING LIMITED (CONTINUED)

Auditors' 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 Auditors' 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 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 gained an understanding of the legal and regulatory framework applicable to the Company, including obtaining details on how they identify and comply with laws and regulations and whether they were aware of any non-compliance, how they detect and respond to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud, and finally the controls they have in order to mitigate risks of fraud or non-compliance with laws and regulations.

We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, intentional misrepresentations.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas: revenue and profit recognition.

We focussed on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006 and UK tax legislation. Our tests included agreeing the financial statement disclosures to underlying supporting documentation, performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud and enquiries with management.

As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

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.

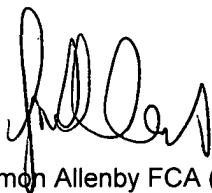
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

KAMM CIVIL ENGINEERING LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KAMM CIVIL ENGINEERING 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 Auditors' 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.



Simon Allenby FCA (Senior statutory auditor)

for and on behalf of

Clifford Fry & Co LLP (Statutory auditors)

St Mary's House
Netherhampton
Salisbury
Wiltshire
SP2 8PU

Date: 17/08/23

KAMM CIVIL ENGINEERING LIMITED

**STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 30 NOVEMBER 2022**

	Note	2022 £	2021 £
Turnover	4	62,089,033	44,162,041
Cost of sales		(51,931,915)	(35,565,213)
Gross profit		10,157,118	8,596,828
Administrative expenses		(3,151,609)	(2,528,466)
Other operating income	5	151,420	34,560
Operating profit		7,156,929	6,102,922
Interest payable and similar expenses	9	(21,658)	(8,250)
Profit before tax		7,135,271	6,094,672
Tax on profit	10	(1,737,403)	(768,682)
Profit after tax		5,397,868	5,325,990
Retained earnings at the beginning of the year		3,831,748	3,054,352
Profit for the year		5,397,868	5,325,990
Dividends declared and paid	11	(3,781,633)	(4,548,594)
Retained earnings at the end of the year		5,447,983	3,831,748

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 13 to 25 form part of these financial statements.

KAMM CIVIL ENGINEERING LIMITED
REGISTERED NUMBER: 03128029

BALANCE SHEET
AS AT 30 NOVEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	12	862,302	362,928
		862,302	362,928
Current assets			
Stocks	13	66,180	24,500
Debtors: amounts falling due within one year	14	13,683,199	11,268,095
Cash at bank and in hand	15	894,791	208,004
		14,644,170	11,500,599
Creditors: amounts falling due within one year	16	(10,011,094)	(7,999,148)
Net current assets		4,633,076	3,501,451
Total assets less current liabilities		5,495,378	3,864,379
Creditors: amounts falling due after more than one year	17	(23,798)	(13,605)
Provisions for liabilities			
Deferred tax	20	(23,405)	(18,834)
		(23,405)	(18,834)
Net assets		5,448,175	3,831,940
Capital and reserves			
Called up share capital	21	192	192
Profit and loss account	22	5,447,983	3,831,748
		5,448,175	3,831,940

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 17/08/23



Keith McWilliams
Director

The notes on pages 13 to 25 form part of these financial statements.

KAMM CIVIL ENGINEERING LIMITED

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 NOVEMBER 2022**

	2022 £	2021 £
Cash flows from operating activities		
Profit for the financial year	5,397,868	5,325,990
Adjustments for:		
Depreciation of tangible assets	69,109	52,177
Loss on disposal of tangible assets	(77,968)	(62,322)
Government grants	-	(173)
Interest paid	21,658	8,250
Taxation charge	1,737,403	768,682
(Increase)/decrease in stocks	(41,680)	750
(Increase) in debtors	(2,415,104)	(4,179,962)
Decrease in amounts owed by groups	-	1,889,240
Increase in creditors	1,967,735	371,958
(Decrease)/increase in amounts owed to groups	(1,000,000)	1,000,000
Corporation tax (paid)	(678,371)	(892,895)
Net cash generated from operating activities	4,980,650	4,281,695
Cash flows from investing activities		
Purchase of tangible fixed assets	(650,515)	(146,329)
Sale of tangible fixed assets	160,000	164,000
Government grants received	-	173
HP interest paid	(1,585)	(5,672)
Net cash from investing activities	(492,100)	12,172

KAMM CIVIL ENGINEERING LIMITED

**STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 30 NOVEMBER 2022**

	2022 £	2021 £
Cash flows from financing activities		
Issue of ordinary shares	-	100
Repayment of/new finance leases	(57)	(70,218)
Dividends paid	(3,781,633)	(4,548,594)
Interest paid	(20,073)	(2,578)
Net cash used in financing activities	(3,801,763)	(4,621,290)
Net increase/(decrease) in cash and cash equivalents	686,787	(327,423)
Cash and cash equivalents at beginning of year	208,004	535,427
Cash and cash equivalents at the end of year	894,791	208,004
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	894,791	208,004
	894,791	208,004

The notes on pages 13 to 25 form part of these financial statements.

KAMM CIVIL ENGINEERING LIMITED

**ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 30 NOVEMBER 2022**

	At 1 December 2021 £	Cash flows £	At 30 November 2022 £
Cash at bank and in hand	208,004	686,787	894,791
Debt due within 1 year	(15,929)	(1,600)	(17,529)
Finance leases	(41,980)	57	(41,923)
	150,095	685,244	835,339

The notes on pages 13 to 25 form part of these financial statements.

KAMM CIVIL ENGINEERING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2022

1. General information

The Company is a private company limited by share capital and was incorporated and registered in England. The Company's registered office and principal place of business is Bridge House, 21 West Street, Ringwood, Hampshire, BH24 1DY. The principal activity of the Company is that of civil engineering.

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 financial statements are presented in Sterling (£).

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).

The following principal accounting policies have been applied:

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue 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:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.3 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.

KAMM CIVIL ENGINEERING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2022

2. Accounting policies (continued)

2.4 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.

2.5 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.

2.6 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 Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.7 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 operates and generates 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; 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 balance sheet date.

KAMM CIVIL ENGINEERING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2022

2. Accounting policies (continued)

2.8 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, on a reducing balance basis.

Depreciation is provided on the following basis:

Short-term leasehold property	- 5% reducing balance
Plant and machinery	- 15% reducing balance
Motor vehicles	- 25% reducing balance
Fixtures, fittings and equipment	- 25% reducing balance

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.

2.9 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.

2.10 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.

2.11 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 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 Company's cash management.

KAMM CIVIL ENGINEERING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2022

2. Accounting policies (continued)

2.12 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.

2.13 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

2.14 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 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.

2.15 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.

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.

2.16 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.

KAMM CIVIL ENGINEERING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2022

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

The directors do not believe that the financial statements are materially impacted by their use of judgements.

4. Turnover

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

	2022 £	2021 £
Exterior building work	62,089,033	44,162,041
	<u>62,089,033</u>	<u>44,162,041</u>

All turnover arose within the United Kingdom.

5. Other operating income

	2022 £	2021 £
Government grants receivable	-	173
Sundry income	151,420	34,387
	<u>151,420</u>	<u>34,560</u>

6. Auditors' remuneration

During the year, the Company obtained the following services from the Company's auditors:

	2022 £	2021 £
Fees payable to the Company's auditors for the audit of the Company's financial statements	27,050	31,825

The Company has taken advantage of the exemption not to disclose amounts paid for non-audit services as these are disclosed in the consolidated accounts of the parent Company.

KAMM CIVIL ENGINEERING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2022**

7. Employees

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

	2022 £	2021 £
Wages and salaries	3,141,370	2,597,728
Social security costs	397,206	311,998
Cost of defined contribution scheme	118,739	90,863
	3,657,315	3,000,589

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

	2022 No.	2021 No.
Employees	62	52

8. Directors' remuneration

	2022 £	2021 £
Directors' emoluments	75,000	75,000
Company contributions to defined contribution pension schemes	21,868	21,868
	96,868	96,868

During the year retirement benefits were accruing to 2 directors (2021 - 2) in respect of defined contribution pension schemes.

9. Interest payable and similar expenses

	2022 £	2021 £
Finance leases and hire purchase contracts	1,585	5,672
Other interest payable	20,073	2,578
	21,658	8,250

KAMM CIVIL ENGINEERING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2022

10. Taxation

	2022 £	2021 £
Corporation tax		
Current tax on profits for the year	1,403,012	790,934
Adjustments in respect of previous periods	329,820	-
Total current tax	1,732,832	790,934
Deferred tax		
Origination and reversal of timing differences	4,571	(22,252)
Taxation on profit on ordinary activities	1,737,403	768,682

Factors affecting tax charge for the year

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

	2022 £	2021 £
Profit on ordinary activities before tax	7,135,271	6,094,672
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	1,355,701	1,157,988
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	35,826	15,536
Capital allowances for year in excess of depreciation	11,485	24,417
Adjustments to tax charge in respect of prior periods	329,820	-
Other timing differences leading to an increase (decrease) in taxation	4,571	(22,252)
Group relief	-	(407,007)
Total tax charge for the year	1,737,403	768,682

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

KAMM CIVIL ENGINEERING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2022**

11. Dividends

	2022 £	2021 £
Dividends on ordinary A shares	3,210,307	4,204,194
Dividends on ordinary C shares	255,219	149,850
Dividends on ordinary D shares	105,369	64,850
Dividends on ordinary E shares	105,369	64,850
Dividends on ordinary F shares	105,369	64,850
	<u>3,781,633</u>	<u>4,548,594</u>

12. Tangible fixed assets

	Short-term leasehold property £	Motor vehicles £	Fixtures, fittings and equipment £	Total £
Cost				
At 1 December 2021	304,027	259,192	93,812	657,031
Additions	577,920	44,469	28,126	650,515
Disposals	(5,202)	(207,002)	(42,475)	(254,679)
At 30 November 2022	<u>876,745</u>	<u>96,659</u>	<u>79,463</u>	<u>1,052,867</u>
Depreciation				
At 1 December 2021	58,909	173,155	62,039	294,103
Charge for the year on owned assets	40,938	-	12,926	53,864
Charge for the year on financed assets	-	15,245	-	15,245
Disposals	(901)	(137,478)	(34,268)	(172,647)
At 30 November 2022	<u>98,946</u>	<u>50,922</u>	<u>40,697</u>	<u>190,565</u>
Net book value				
At 30 November 2022	<u>777,799</u>	<u>45,737</u>	<u>38,766</u>	<u>862,302</u>
At 30 November 2021	<u>245,118</u>	<u>86,037</u>	<u>31,773</u>	<u>362,928</u>

KAMM CIVIL ENGINEERING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2022**

12. Tangible fixed assets (continued)

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

	2022 £	2021 £
Motor vehicles	45,737	86,037
	45,737	86,037

13. Stocks

	2022 £	2021 £
Finished goods and goods for resale	66,180	24,500
	66,180	24,500

14. Debtors

	2022 £	2021 £
Trade debtors	11,174,427	8,626,334
Other debtors	2,170,031	2,494,126
Prepayments and accrued income	310,091	129,635
Amounts recoverable on long term contracts	28,650	18,000
	13,683,199	11,268,095

15. Cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	894,791	208,004
	894,791	208,004

KAMM CIVIL ENGINEERING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2022**

16. Creditors: Amounts falling due within one year

	2022	2021
	£	£
Trade creditors	6,640,268	4,593,315
Amounts owed to group undertakings	-	1,000,000
Corporation tax	1,547,980	493,519
Other taxation and social security	109,750	126,589
Obligations under finance lease and hire purchase contracts	18,125	28,375
Other creditors	1,271,031	1,269,940
Accruals and deferred income	423,940	487,410
	10,011,094	7,999,148

The following liabilities were secured:

	2022	2021
	£	£
Hire purchase contracts	18,125	28,375
	18,125	28,375

Details of security provided:

The hire purchase contracts are secured on the assets concerned.

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

	2022	2021
	£	£
Net obligations under finance leases and hire purchase contracts	23,798	13,605
	23,798	13,605

The following liabilities were secured:

	2022	2021
	£	£
Hire purchase contracts	23,798	13,605
	23,798	13,605

Details of security provided:

The hire purchase contracts are secured on the assets concerned.

KAMM CIVIL ENGINEERING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2022**

18. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2022 £	2021 £
Within one year	18,125	28,375
Between 1-5 years	23,798	13,605
	<u>41,923</u>	<u>41,980</u>

Certain motor vehicles are held under hire purchase contracts. These liabilities are secured by the related assets. The contracts generally include a period of fixed payments and a purchase option at the end of the contract term.

19. Financial instruments

	2022 £	2021 £
Financial assets		
Financial assets	894,791	208,004
Financial assets that are debt instruments measured at amortised cost	<u>12,644,285</u>	<u>10,014,264</u>
	<u>13,539,076</u>	<u>10,222,268</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(8,295,144)</u>	<u>(7,334,644)</u>

Financial assets comprise cash at bank and in hand.

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

Financial liabilities measured at amortised cost comprise trade and other payables.

KAMM CIVIL ENGINEERING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2022**

20. Deferred taxation

	2022 £
At beginning of year	(18,834)
Reversal of timing differences	(4,571)
At end of year	(23,405)

The provision for deferred taxation is made up as follows:

	2022 £	2021 £
Accelerated capital allowances	(23,405)	(18,834)
	(23,405)	(18,834)

21. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
92 (2021 - 92) Ordinary A shares of £1 each	92	92
60 (2021 - 60) Ordinary B shares of £1 each	60	60
10 (2021 - 10) Ordinary C shares of £1 each	10	10
10 (2021 - 10) Ordinary D shares of £1 each	10	10
10 (2021 - 10) Ordinary E shares of £1 each	10	10
10 (2021 - 10) Ordinary F shares of £1 each	10	10
	192	192

22. Reserves

Profit and loss account

Includes all current and prior period profit and losses less distributions.

KAMM CIVIL ENGINEERING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2022

23. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £118,739 (2021 - £90,863). Contributions totalling £17,529 (2021 - £15,929) were payable to the fund at the balance sheet date and are included in creditors.

24. Commitments under operating leases

At 30 November 2022 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2022 £	2021 £
Not later than 1 year	2,942	3,614
Later than 1 year and not later than 5 years	3,112	2,789
	<u>6,054</u>	<u>6,403</u>

25. Related party transactions

During the year the Company made net loans of £5,900,000 (2021 - £2,200,000), net bank receipts/payment of £11,943 (2021 - £nil), net sales of £933,642 (2021 - £739,633), net purchases of £2,544,586 (2021 - £1,962,873), recharges of £nil (2021 - £45,994), paid dividends of £3,210,307 (2021 - £4,204,194), and paid rent, rates and utilities of £156,733 (2021 - £184,854) with its parent company, KAMM (Holdings) Limited. At the year end £nil (2021 - £1,000,000) was owed to KAMM (Holdings) Limited.

The directors trade in a partnership known as KAMM Plant Hire (KPH). During the year the Company hired plant, vehicles and equipment from KPH to the value of £1,200,800 (2021 - £851,002). The Company paid rent to KPH of £9,100 (2021 - £15,600). The Company charged management fees to KPH of £nil (2021 - £15,000), net bank payments of £3,501 (2021 - £nil), and made sales to KPH of £672,400 (2021 - £266,227). At the year end KPH owed the Company £nil (2021 - £nil).

The Company recharged rates of £4,432 (2021 - £7,597) to Westmade Limited, a company in which both directors are also directors. The Company made purchases of £nil (2021 - £6,305) from Westmade Limited. At the year end the Company was owed £nil (2021 - £nil) by Westmade Limited and is included in trade debtors.

26. Controlling party

The Company is a majority owned subsidiary of KAMM (Holdings) Limited. The ultimate controlling parties are the directors of the Company by virtue of their shareholding in KAMM (Holdings) Limited. The registered office of KAMM (Holdings) Limited is the same as the registered address for KAMM Civil Engineering Limited and group accounts can be obtained from there.