

Group Strategic Report,
Report of the Directors and
Consolidated Financial Statements
for the Year Ended 30 November 2020
for
Lindum Group Limited

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for the Year Ended 30 November 2020

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Lindum Group Limited
Company Information
for the Year Ended 30 November 2020

DIRECTORS:	D C Chambers K E Damarell S J Gregory R A J Kok F E Chambers E C Chambers S D Mitchell J P Sizer P A P Doody
SECRETARY:	H F F Kok
REGISTERED OFFICE:	Lindum Business Park Station Road North Hykeham Lincoln LN6 3QX
REGISTERED NUMBER:	01236338 (England and Wales)
AUDITORS:	Wright Vigar Limited Statutory Auditors Chartered Accountants & Business Advisers 15 Newland Lincoln Lincolnshire LN1 1XG
BANKERS:	Nat West Lincoln 225 High Street Lincoln Lincolnshire LN2 1AZ

Chairman's Report
for the Year Ended 30 November 2020

Well, what a year! An election, brexit and a pandemic, with output of GDP reducing by almost 10%. Break even is a good result for any construction company in this market. We did a little better. We were sorry to lose a few people in redundancy, during the summer, and these were mostly on a voluntary or a retirement basis.

In many ways, the year was an opportunity for a breather, to reassess, consider and alter attitude, direction or focus, perhaps. Certainly, when the going gets tougher, it is refreshing to see the tougher get going, youngsters and longer serving alike!

We spent some time helping the local hospitals, building a new mortuary, a testing laboratory, keeping ambulances in Lincs and Cambs and fire engines on the road for Lincs, not to mention helping individual charities and people in our communities wherever we could. A welcome change of emphasis, a getting to know period, with time.

It is possible to say that we are making good progress with continuing to help the next generation of individuals come through into senior management, whilst the shareholding register has expanded relatively in number, even though we are of fewer people than last year.

Our plan remains to focus on construction and its related activities, whether excavators and lorries for muckshifting for one client, or a new design and build food factory for another, a joint venture purchase and turnkey construction contract for an housing association, to painting for a supermarket or racecourse during the pandemic - all of these are relationships with clients we value and with whom we try very hard to deliver as promised, with teamworks as a guiding principle.

We all began 2020 not knowing how we would fare during the pandemic and, indeed, it is not over yet. A big thank you to all at Lindum that made the difference. Thanks to clients who acted sensitively and with loyalty to us. Thank you to our suppliers for approaching the testing times with honesty and determination. Finally, we send our condolences to those that have had to deal with tragedies in their own families and friends. Where we can, we have supported families within our influence in their duties as helping the fight against the pandemic in their way. We have supported employees, fully, so that customers receive a proper service.

Let's hope that the spring, summer and winter of 2021 will be much improved over 2020 and we can begin to mix once again fully with family, friends and people we know, and perhaps with an enhanced reflection from our experience to go forward with a new outlook and purpose hereafter, for the benefit of us all.



David Chambers

Group Strategic Report
for the Year Ended 30 November 2020

The directors present their strategic report of the company and the group for the year ended 30 November 2020.

REVIEW OF BUSINESS

Market Conditions

Trading conditions were unprecedented during the financial year ended 30 November 2020, beginning with a snap general election in December 2019, the technical withdrawal from the EU in January 2020 and then the Coronavirus pandemic for the remainder of the year and the next.

Leading up to the Coronavirus, we were experiencing slower but steady trading conditions; economic confidence was mixed as concerns over Brexit remained, but some domestic political stability had materialised and the housing market was experiencing a buoyant period for the time of year.

As the effects of the Coronavirus began to take hold in late February/ early March, we instigated measures to protect our people and to enable us to continue to operate in the best way possible. Immediately following the announcement of the first national lockdown on 23 March, we shut down all of our non-essential works, until we felt confident that we could resume safely.

Within a few weeks, we were able to recommence relatively quickly, thanks to the hard work, efforts and commitment of our teams, though our activity in April, May and June in particular was severely impacted. Conditions picked up in the late summer and the early part of autumn which was quite a welcome surprise and our trading activity was not too far off our normal levels and undoubtedly helped by government support for business, furloughed employees, and the housing market.

Conditions became more challenging as we entered the winter months and Coronavirus infection rates increased again prompting another national lockdown, but our workload and enquiry levels did hold up and we were helped by the resilience of the housing market which continued to surprise on the upside and help with confidence levels.

Results

Profit and loss account

We are very pleased to report a profit and to have maintained a strong and healthy balance sheet at the end of a challenging financial year.

The annual turnover for the Group was £150.2M, which was 14% lower than the year before.

Activity	2020	2019
Construction Contracting	125,646,066	145,611,227
Homes and JV Developments	19,317,686	19,560,282
Plant Hire and Vehicle Servicing	1,615,900	1,738,399
Waste Recycling	3,414,016	3,334,513
Other Construction Services	<u>249,432</u>	<u>326,561</u>
Total	<u>150,243,100</u>	<u>170,570,982</u>

During the period, we were fortunate in that activity with our diverse client base, including sector, location and project type, continued. Our most active sectors in the year were the commercial/ industrial and social housing sectors, we continued to work in the food, education, health, leisure and retail sectors too. We have always been conscious to maintain a careful balance between private and public sector work and, during the year, this balance of activity was split fairly evenly.

Our gross margin percentage was lower than the prior year, reflecting the impact of the Coronavirus in terms of additional costs of adhering to the extra precautions necessary, as well as a more competitive environment and rising input prices.

Administrative expenses were lower in the year predominantly due to a reduced net cost of wages and salaries as we were obliged to reduce the size of our team in some areas, some of which were on a voluntary basis, including retirement.

Group Strategic Report
for the Year Ended 30 November 2020

The support provided by the Coronavirus Job Retention Scheme (CJRS) helped us avoid having a much larger impact to our team, as we were severely affected by the pandemic at the outset. We were able though, throughout April, May and June, to top up the base government CJRS allowance for our furloughed employees.

No dividends have been declared for the financial year ended 30 November 2020. During the period we settled the dividend declared in respect of the prior financial year that was originally intended to be paid in April 2020, but was deferred until we were satisfied that our cash position, balance sheet and trading situation were less uncertain which occurred in August 2020.

Finally, we do consider that turnover is not necessarily a good measure of a construction company's performance in an industry which is known for the pursuit of work simply to maintain turnover (and cash flow), often, whether profitable or not.

We consider that consistently positive returns [then shared/retained], stable cash flow and sensible investment are more important measures to be assessed and we try hard to maintain these.

Balance sheet

Our balance sheet remains strong and with healthy liquidity, which reflects our strategy of reinvesting our profits carefully in the business for the benefit of our employee shareholders and our customers, so that we are able to deliver what we promise.

Fixed assets reduced in the period to £14.7M (£16.3M 2019), and although we continued to invest to keep our plant, machinery, tools, vehicles and buildings in good working order, we applied extra caution to our cash position given the unusual circumstances whilst depreciation costs remained unaffected.

Work in progress (WIP) reduced to £18.0M (£24.4M 2019) as some of our joint venture developments crystallised in the period and our market housing sites sold well, helped by the resilience of the housing market and people's desire to reflect on the staying in their existing property or deciding to move to new.

We managed our cash position very carefully during the year, and our clients paid promptly for their works, which means that we were able to pay our suppliers promptly too. The reduced rate of fixed asset investment, the realisation of our joint venture WIP and our market housing WIP, together with our profit for the year meant that our year end cash position improved to £43.2M (£30.0M 2019).

We remain debt free, as we were in the prior period, which means that clients can be confident in our ability to finish jobs properly and our employees, subcontractors and suppliers know that we are chosen not just on price but on the quality and ability to deliver for the projects we undertake for our clients.

Non controlling interests of £57,840 (£20,458 2019) represent the share of net assets held by the Housing Growth Partnership, with whom we are jointly developing for new residential properties in Mablethorpe - please refer to the accounts of Mableford Limited for further information.

Retained earnings for the year amounted to £1.1M (2019 £2.4M) resulting in a Net Worth of the Group of £48.9M (£47.8M 2019) with conservative valuations and no 'toxic' assets.

The year ahead

We have a healthy workload look ahead and some good jobs currently underway across all our divisions in York, Peterborough and Lincoln and across a good range of sectors for a diverse range of clients.

Brexit has caused some supplier prices to increase, and we've had to manage delivery times more closely, though there have been no dramatic effects as yet. We do expect that Brexit may weigh on potential orders later in the year but equally there could be new work where businesses seek to invest to deal with change, and we hope to be well positioned to help.

Coronavirus continues to present difficulties and will do for some time. However, the Lindum team is up to the challenge and has good spirits and we're confident that we're well placed to enjoy a bounce back in the economy.

In the meantime, we're focusing efforts on doing as much work as possible ourselves with our own practical Lindum team, whilst looking after clients, suppliers and our people well. We'll also be focusing on keeping costs down, keeping a close eye on liquidity, and exploring different, better and more efficient ways of doing things which means we will continue to be competitive.

Group Strategic Report
for the Year Ended 30 November 2020

SECTION 172(1) STATEMENT

The Directors have complied with their duty to act, in good faith, to promote the success of the company for the benefit of its members as a whole and in particular have had regard to the following matters:

The likely consequences of any decision in the long term

Decisions are made for the long term success of the company and to ensure we re-invest in the business, maintain a strong balance sheet, retain a healthy liquidity position, look after our employees (nearly 400 of whom are also shareholders) and to establish long term relationships with customers and suppliers.

The interests of the company's employees

We consider that the 'difference is our people' and we try hard to know our colleagues as well as we can so that the interests of our employees are properly considered. We encourage the sharing of information so employees are well informed and we also believe that 'the best argument wins' so we ensure that we listen to ideas, input and concerns of our employees. The health, safety and welfare of our employees is always carefully considered including regular advice and consultation provided by our in-house health and safety team; health checks are made available typically every other year for all employees; and regular occupational health reviews are undertaken for our site based teams where needed.

We are committed to invest in direct employment (for both office and site based operatives), skills training, health and safety, providing sustainable apprenticeships, encouraging "teamworks" and promoting employee ownership so that a proper sharing business exists to get things done.

Providing a comprehensive in-house service for our clients differentiates us from our competitors and allows us to look after our clients' needs better and more comprehensively which is why we invest in our own workforce of qualified people who are skilled in brick-laying, plastering, decorating, design, engineering, contract & legal support and even financial support

The need to foster the company's business relationships with suppliers, customers and others

We seek to form long term relationships with both clients and suppliers. In particular we provide a good service to our clients, helped by using our own people, thereby ensuring a high level of quality and leading to repeat future work. We work closely with our supply chain to make sure we treat each fairly including prompt payment as agreed.

The impact of the company's operations on the community and the environment

We typically work for clients based in and around either York, Lincoln or Peterborough and because our employees are typically based in and around these areas too, this helps us to understand what is of particular importance to those communities in which we operate. We place a strong emphasis on adding social value to our projects (for example, providing education on construction projects to local school children and ensuring we work with local suppliers) as well as ensuring we keep our carbon footprint as low as possible through seeking accreditation with Planetmark

The promotion of economic growth in the localities in which we operate is also an important feature of our business model. Our 'business parks' are a key element of this philosophy, encouraging and supporting new and existing SME businesses (especially construction as above) which can use the space surplus to our requirements until such time as we need it (or until such time as they would like a new building themselves!).

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

Our long term success is dependent on many things, of which behaving with integrity is of vital importance and we seek to ensure that all of our employees behave properly and fairly and in accordance with our company policies. Our high standards of business conduct reflect in the high quality of the building work we produce and helps with fostering long term client and supplier relationships.

The need to act fairly as between members of the company

As an employee owned business, with 396 employee shareholders it is important to us that members of the company are treated fairly, kept informed and have a way to make suggestions, propose ideas, raise concerns or to offer help. We hold a well attended AGM each year and provide updates to our shareholders as regularly as we can, together with an 'open door' policy for any questions or suggestions whenever they may arise.

Group Strategic Report
for the Year Ended 30 November 2020

PRINCIPAL RISKS AND UNCERTAINTIES


Business Risk

The Board has established a process for identifying, evaluating and managing the business risks faced by the Group during the year. Business risks are identified and evaluated through senior management's ongoing review of progress against strategic objectives. The business risks reviewed include;

- Health and Safety risk
- Operational risks arising from the nature of the work undertaken
- External business risks, including regulatory and compliance obligations
- Design, materials and workmanship risk
- Legal risks; resulting from contracts with suppliers and customers
- Information risks, such as security of data, cyber security and the integrity of IT systems.

Furthermore we assess risks regarding our market sectors, competitors, public and private sector partnerships and the impact of political decisions which may have an effect on our trading activity.

BY ORDER OF THE BOARD:



R A J Kok - Director

15 March 2021

Report of the Directors
for the Year Ended 30 November 2020

The Directors present their annual report including the audited financial statements for the year ended 30th November 2020.

PRINCIPAL ACTIVITIES

The principal activity of the group during the year was construction and associated activities.

WELFARE, HEALTH AND SAFETY

The welfare, health and safety of our employees is our number one priority.

We ensure that our employees are properly trained, understand the importance of working safely and have the best equipment available. In addition to this, we have an in-house health and safety team who are available to advise and help our teams whenever required.

The Welfare, health and safety of all staff is actively promoted by continually consulting employees on ways to improve the business.

DIVIDENDS

No dividend payments have been recommended with respect to the financial year ended 30 November 2020. Shareholders (employees) will still experience a 3.7% gross yield on their shares thanks to the increase in the share value.

Dividends paid on the Ordinary share capital during the year are as detailed below:

2019 Final Dividend	Paid August 2020	£471K
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DIRECTORS

The directors who served during the year and their beneficial family interests in the Group's issued share capital were:

	30 November 2020	30 November 2019
D C Chambers	6,455,387	8,114,436
F E Chambers	1,740,194	887,298
E C P Chambers	1,740,194	887,298
K E Damarell	877,203	770,377
S J Gregory	441,884	470,731
J P Sizer (appointed 21 June 2019)	63,227	49,173
R A J Kok	180,857	176,536
S D Mitchell	25,780	24,858
P A P Doody (appointed 1 June 2020)	-	-
Employee Shareholding (excluding directors) amounted to	5,982,874	6,126,893

EMPLOYMENT POLICY AND EMPLOYEE ENGAGEMENT

Employee Numbers

The average number of persons employed in the Group, including directors, during the year was 642 (2019 - 689). We try hard for our employees to know each other well and we also try hard to offer secure employment.

Profit Related Pay

The Group operates a Profit Related Pay scheme, which distributes 10% of profits equally between all employees - a unique feature not rivalled by any other UK construction company. We look after our employees so that they are encouraged to look after our clients as well as possible.

Report of the Directors
for the Year Ended 30 November 2020

Stakeholder Culture

Our employees are genuine stake-holders in the Share Ownership of the Group; 396 employees are shareholders and 309 employees participate in our share saving scheme. All employees are viewed as partners in the business, we have an AGM to which all employees are invited and we provide regular updates to employees and shareholders whenever we can to help with employee and shareholder engagement.

Lindum Group Employee Share Schemes

All employees can purchase Lindum Group Ltd shares, which are traded through our Employee Benefit Trust. Share transactions (purchases and sales) during 2020 numbered 1,355,494 thereby creating an active market of £2,195,900 in value. We also operate an HMRC tax approved SAYE Share Incentive Plan, which is open to all employees.

Employee Share Ownership Association

Lindum Group Ltd is a senior member of the Employee Ownership Association (EOA) and actively promotes Employee Share Ownership.

Equal Opportunities, Training and Education

Full and fair consideration is given to all employment applications and continued employment and training is provided to any employee who becomes disabled. Training, career development and promotion are available to all employees - this includes support for day-release courses, seminars, ad-hoc training courses, distance-learning, degree and MBA courses, all of which complement regular in-house training events.

Apprentice Training Schemes

We pay particular attention to our in-house 'Apprentice Training Schemes' which we hope will continue to deliver talented 'Sock Club' members of the future, as we champion internal promotion whenever possible.

Taster Events for Students - Working with Schools

Lindum Group Ltd has been at the forefront of youth training pilot schemes for a number of years and we are seen as a leading employer in the local Construction Training Association, where we play a key role in providing 'construction industry taster events' for up to 1,000 young students, offering them the opportunity to gain 'a first-hand experience' from a choice of trade as well as professional activities ranging from joinery, bricklaying and plumbing to quantity surveying, project management and architecture & design.

We offer work experience to students for 48 weeks of each year and Lindum staff visit schools and colleges as 'construction ambassadors' most months.

When working on school, college or university projects, our site-teams fully engaged with students and teaching staff alike, to keep them informed about and engaged with the project.

Sunday Times Best Companies Competition

We ordinarily participate in the 'Sunday Times Best Companies to Work For' competition, but due to the Coronavirus pandemic, we didn't participate during 2020. Our previous entry in 2019 resulted in an award for being the **36th Best Company to Work For**, which was announced in February 2020. The result was based on a Best Companies confidential survey of Lindum employees which acts as a good way to engage with employees on an anonymous basis and allows us to respond to any positive or negative matters which might be highlighted.

Institute of Family Business

We are an active member, supporter and proponent of the Institute of Family Business. We value the ability to learn from and (wherever possible) to pass on our knowledge to other family businesses.

Report of the Directors
for the Year Ended 30 November 2020

CORPORATE SOCIAL RESPONSIBILITY

CSR is an important element of the Ethos of the Lindum Group; we value true partnerships and genuine engagement with the community in which we live and work and above all we believe in investing in our current and future workforce. Over the years Lindum has played a leading part in education/training pilot schemes introduced in Lincolnshire. We offer real apprenticeships underpinned by a good quality training programme - our philosophy is that an apprenticeship is a commitment for the long term.

Lindum employees are encouraged to become construction industry 'ambassadors' who promote careers in the construction industry and mentor apprentices who have decided to follow such a career path. Other Lindum employees act as school governors or joined public/private sector joint venture companies such as 'Investors In Lincoln' to assist with development projects which may be commercially 'marginal' but make a difference to the local community and many of our employees serve on Charity Boards and public sector (unpaid) Quangos (GLLEP, Employment & Skills Board etc.).

Not all our investments are commercially driven; we hold a stake in Lincoln City Football Club because local football has a significant relevance for the local community. We provide workspace and support to a community of businesses in several of our locations some of whom benefit from our in-house Venture Capital support provided through our Lindum Nursery Scheme. We pioneered managed workspace support in Lincolnshire and learned early on that business thrives in a collaborative environment; companies, like human beings, flourish when they work in a community, providing support for, learning from, and networking with each other.

Our CSR Mission Statement reads as follows:

"A worthwhile firm must have a purpose for its existence. Not only the everyday purpose to earn a 'just' profit, but beyond that, to improve in some way the quality of the community to which it is committed.

We hope that through the quality of our products and services and the manner in which we conduct our day-to-day contacts (with transparency and a straightforward approach) we do, in some way, communicate to those who may not have been aware of it, that these qualities are critically important; they make for better firms, better citizens and better communities.

We strive to serve our customers, our communities and each-other to the best of our abilities."

CHARITABLE DONATIONS

Donations amounted to £18,403 (2019; £28,867). In addition to monetary donations, Lindum employees made significant donations 'in kind' to a number of charities and we regularly carry out 'at cost' work on local charitable and educational projects.

During 2020 directors of Lindum continued to support an entrepreneurial venture capital fund for a deprived area in India (through a UK charity) - where the Lindum Fund offers financial support for community self-start projects, such as Goat Farms, White Goods and Bicycle Repair Centres as well as Local Manufacturing Initiatives. Neither Lindum Group Ltd nor the directors derive any benefit from this initiative during our current incarnations.

Report of the Directors
for the Year Ended 30 November 2020

STREAMLINED ENERGY AND CARBON REPORTING (SECR)

UK Greenhouse gas emissions and energy use data for the period 1 Dec 2019 to 30 Nov 2020

Energy consumption used to calculate emissions (kWh)

Scope 1 (emissions in metric tonnes CO2e)	30-Nov-20
Gas consumption	386.6
Owned transport	2,127.4
Total Scope 1	2,514.0
Scope 2 (emissions in metric tonnes CO2e)	
Purchased electricity	623.5
Scope 3 (emissions in metric tonnes CO2e)	
Business travel in employee owned vehicles	165.1
Purchased electricity	51.1
Total gross emissions in metric tonnes CO2e	3,353.7
Intensity ratio Tonnes CO2e per employee	5.2

Quantification and reporting methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines together with assistance from Planetmark.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per employee.

Measures taken to improve energy efficiency

The group has implemented energy efficiency improvements in a number of areas, both in our offices and at our building sites. Examples include:

- We have a number of solar panels installed across our sites in Lincoln, Peterborough and Saxilby and have approved the installation of extra solar panels at our Lincoln business park for 2021.
- We are now adding hybrid vehicles to our company car fleet.
- We have installed electric vehicle charging points at our sites in Lincoln, Peterborough and York to enable a wider use of hybrid and electric vehicles.
- We continue to invest at our Waste Recycling site in Saxilby to improve efficiency and to increase the amount of material that can be recycled rather than being sent to landfill.
- We have reviewed and changed our paper supplier and office refuse systems to improve the use of recycled paper and to reduce our office generated waste.
- We continue to explore Modern Methods of Construction in order to further reduce the carbon footprint of our construction projects.

Report of the Directors
for the Year Ended 30 November 2020

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

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

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

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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

BY ORDER OF THE BOARD:



R A J Kok - Director

15 March 2021

**Report of the Independent Auditors to the Members of
Lindum Group Limited**

Opinion

We have audited the financial statements of Lindum Group Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 November 2020 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, Notes to the Financial Statements, 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 affairs as at 30 November 2020 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 Auditors' 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 UK, including the FRC'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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information in the Annual Report, but does not include the financial statements and our Report of the Auditors thereon.

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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Directors 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 Report of the Directors.

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

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

**Report of the Independent Auditors to the Members of
Lindum Group Limited**

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page eleven, 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 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.

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 a Report of the Auditors 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.

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 Report of the Auditors.

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 a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Kevin Shaw BSc FCA (Senior Statutory Auditor)
for and on behalf of Wright Vigar Limited
Statutory Auditors
Chartered Accountants & Business Advisers
15 Newland
Lincoln
Lincolnshire
LN1 1XG

15 March 2021

Consolidated Income Statement
for the Year Ended 30 November 2020

	Notes	2020 £	£	2019 £	£
TURNOVER	3		150,243,100		170,570,982
Cost of sales			128,066,891		144,614,697
GROSS PROFIT			22,176,209		25,956,285
Administrative expenses			20,368,585		22,306,424
OPERATING PROFIT	6		1,807,624		3,649,861
Income from other participating interests		12,699		421,123	
Interest receivable and similar income	7	132,888		189,240	
			145,587		610,363
			1,953,211		4,260,224
Interest payable and similar expenses	8		24,251		37,282
PROFIT BEFORE TAXATION			1,928,960		4,222,942
Tax on profit	9		319,547		652,178
PROFIT FOR THE FINANCIAL YEAR			1,609,413		3,570,764
Profit attributable to:					
Owners of the parent			1,572,031		3,550,306
Non-controlling interests			37,382		20,458
			1,609,413		3,570,764

The notes form part of these financial statements

Consolidated Other Comprehensive Income
for the Year Ended 30 November 2020

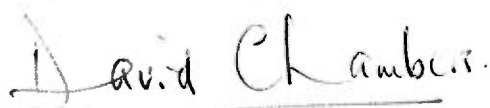
Notes	2020 £	2019 £
PROFIT FOR THE YEAR	1,609,413	3,570,764
OTHER COMPREHENSIVE INCOME	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>1,609,413</u>	<u>3,570,764</u>
Total comprehensive income attributable to:		
Owners of the parent	1,572,031	3,550,306
Non-controlling interests	<u>37,382</u>	<u>20,458</u>
	<u>1,609,413</u>	<u>3,570,764</u>

The notes form part of these financial statements

Consolidated Balance Sheet
30 November 2020

	Notes	2020 £	2019 £
FIXED ASSETS			
Tangible assets	12	14,671,753	16,286,951
Investments	13	319,430	319,430
Investment property	14	1,864,943	1,864,943
		<u>16,856,126</u>	<u>18,471,324</u>
CURRENT ASSETS			
Stocks	15	18,010,751	24,436,599
Debtors	16	27,223,242	27,101,398
Cash at bank		43,239,155	30,001,169
		<u>88,473,148</u>	<u>81,539,166</u>
CREDITORS			
Amounts falling due within one year	17	55,747,739	51,367,125
		<u></u>	<u></u>
NET CURRENT ASSETS		<u>32,725,409</u>	<u>30,172,041</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>49,581,535</u>	<u>48,643,365</u>
CREDITORS			
Amounts falling due after more than one year	18	(504,380)	(704,380)
PROVISIONS FOR LIABILITIES	21	(140,000)	(140,000)
		<u></u>	<u></u>
NET ASSETS		<u>48,937,155</u>	<u>47,798,985</u>
CAPITAL AND RESERVES			
Called up share capital	22	175,076	175,076
Share premium	23	1,263,867	1,263,867
Revaluation reserve	23	578,944	688,062
Capital redemption reserve	23	252,583	52,583
Retained earnings	23	46,608,845	45,598,939
		<u>48,879,315</u>	<u>47,778,527</u>
SHAREHOLDERS' FUNDS		<u>48,879,315</u>	<u>47,778,527</u>
NON-CONTROLLING INTERESTS	24	57,840	20,458
		<u>57,840</u>	<u>20,458</u>
TOTAL EQUITY		<u>48,937,155</u>	<u>47,798,985</u>

The financial statements were approved by the Board of Directors and authorised for issue on 15 March 2021 and were signed on its behalf by:

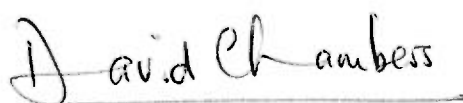


D C Chambers - Director

Company Balance Sheet
30 November 2020

	Notes	2020 £	2019 £
FIXED ASSETS			
Tangible assets	12	14,671,753	16,286,951
Investments	13	319,747	319,747
Investment property	14	1,864,943	1,864,943
		<u>16,856,443</u>	<u>18,471,641</u>
CURRENT ASSETS			
Stocks	15	11,728,450	15,582,135
Debtors	16	30,700,401	31,237,483
Cash at bank		41,605,330	29,216,270
		<u>84,034,181</u>	<u>76,035,888</u>
CREDITORS			
Amounts falling due within one year	17	54,026,185	49,602,700
NET CURRENT ASSETS		<u>30,007,996</u>	<u>26,433,188</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>46,864,439</u>	<u>44,904,829</u>
CREDITORS			
Amounts falling due after more than one year	18	(504,380)	(704,380)
PROVISIONS FOR LIABILITIES	21	(140,000)	(140,000)
NET ASSETS		<u>46,220,059</u>	<u>44,060,449</u>
CAPITAL AND RESERVES			
Called up share capital	22	175,076	175,076
Share premium	23	1,263,867	1,263,867
Revaluation reserve	23	578,944	688,062
Capital redemption reserve	23	252,583	52,583
Retained earnings	23	43,949,589	41,880,861
SHAREHOLDERS' FUNDS		<u>46,220,059</u>	<u>44,060,449</u>
Company's profit for the financial year		<u>2,630,853</u>	<u>4,185,368</u>

The financial statements were approved by the Board of Directors and authorised for issue on 15 March 2021 and were signed on its behalf by:



D C Chambers - Director

**Consolidated Statement of Changes in Equity
for the Year Ended 30 November 2020**

	Called up share capital £	Retained earnings £	Share premium £	Revaluation reserve £
Balance at 1 December 2018	175,076	43,103,253	1,263,867	793,532
Changes in equity				
Dividends	-	(1,160,090)	-	-
Total comprehensive income	-	3,655,776	-	(105,470)
Balance at 30 November 2019	175,076	45,598,939	1,263,867	688,062
Changes in equity				
Dividends	-	(471,243)	-	-
Total comprehensive income	-	1,481,149	-	(109,118)
Balance at 30 November 2020	175,076	46,608,845	1,263,867	578,944
	Capital redemption reserve £	Total £	Non-controlling interests £	Total equity £
Balance at 1 December 2018	52,583	45,388,311	-	45,388,311
Changes in equity				
Dividends	-	(1,160,090)	-	(1,160,090)
Total comprehensive income	-	3,550,306	20,458	3,570,764
Balance at 30 November 2019	52,583	47,778,527	20,458	47,798,985
Changes in equity				
Dividends	-	(471,243)	-	(471,243)
Total comprehensive income	200,000	1,572,031	37,382	1,609,413
Balance at 30 November 2020	252,583	48,879,315	57,840	48,937,155

The notes form part of these financial statements

Company Statement of Changes in Equity
for the Year Ended 30 November 2020

	Called up share capital £	Retained earnings £	Share premium £
Balance at 1 December 2018	175,076	38,750,113	1,263,867
Changes in equity			
Dividends	-	(1,160,090)	-
Total comprehensive income	-	4,290,838	-
Balance at 30 November 2019	175,076	41,880,861	1,263,867
Changes in equity			
Dividends	-	(471,243)	-
Total comprehensive income	-	2,539,971	-
Balance at 30 November 2020	175,076	43,949,589	1,263,867
	Revaluation reserve £	Capital redemption reserve £	Total equity £
Balance at 1 December 2018	793,532	52,583	41,035,171
Changes in equity			
Dividends	-	-	(1,160,090)
Total comprehensive income	(105,470)	-	4,185,368
Balance at 30 November 2019	688,062	52,583	44,060,449
Changes in equity			
Dividends	-	-	(471,243)
Total comprehensive income	(109,118)	200,000	2,630,853
Balance at 30 November 2020	578,944	252,583	46,220,059

The notes form part of these financial statements

Consolidated Cash Flow Statement
for the Year Ended 30 November 2020

	Notes	2020 £	2019 £
Cash flows from operating activities			
Cash generated from operations	1	15,619,190	10,966,129
Interest paid		(198)	(5,585)
Preference dividends paid		(24,053)	(31,697)
Tax paid		(487,983)	(1,408,143)
Net cash from operating activities		15,106,956	9,520,704
Cash flows from investing activities			
Purchase of tangible fixed assets		(1,822,145)	(4,013,094)
Sale of tangible fixed assets		478,831	469,889
Interest received		132,888	189,240
Dividends received		12,699	421,123
Net cash from investing activities		(1,197,727)	(2,932,842)
Cash flows from financing activities			
Capital repayments in year		-	(5,908)
Share buyback		(200,000)	-
Equity dividends paid		(471,243)	(1,160,090)
Net cash from financing activities		(671,243)	(1,165,998)
Increase in cash and cash equivalents		13,237,986	5,421,864
Cash and cash equivalents at beginning of year	2	30,001,169	24,579,305
Cash and cash equivalents at end of year	2	43,239,155	30,001,169

The notes form part of these financial statements

Notes to the Consolidated Cash Flow Statement
for the Year Ended 30 November 2020

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2020 £	2019 £
Profit before taxation	1,928,960	4,222,942
Depreciation charges	3,292,833	3,150,225
Profit on disposal of fixed assets	(334,321)	(318,567)
Finance costs	24,251	37,282
Finance income	(145,587)	(610,363)
	<hr/>	<hr/>
Decrease/(increase) in stocks	4,766,136	6,481,519
(Increase)/decrease in trade and other debtors	6,425,848	(4,067,601)
Increase in trade and other creditors	(121,844)	6,377,969
	<hr/>	<hr/>
Cash generated from operations	15,619,190	10,966,129

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 30 November 2020

	30.11.20 £	1.12.19 £
Cash and cash equivalents	43,239,155	30,001,169

Year ended 30 November 2019

	30.11.19 £	1.12.18 £
Cash and cash equivalents	30,001,169	24,579,305

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.12.19 £	Cash flow £	At 30.11.20 £
Net cash			
Cash at bank	30,001,169	13,237,986	43,239,155
	<hr/>	<hr/>	<hr/>
	30,001,169	13,237,986	43,239,155
Debt			
Debts falling due after 1 year	(704,380)	200,000	(504,380)
	<hr/>	<hr/>	<hr/>
	(704,380)	200,000	(504,380)
Total	<hr/>	<hr/>	<hr/>
	29,296,789	13,437,986	42,734,775

The notes form part of these financial statements

Notes to the Consolidated Financial Statements
for the Year Ended 30 November 2020

1. STATUTORY INFORMATION

Lindum Group Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on page 1.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Basis of consolidation

The consolidated financial statements include the company and all its subsidiary undertakings. The group profit and loss account includes the results of all subsidiary undertakings for the period from the date of their acquisition and up to the date of disposal.

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own profit and loss.

Turnover

Turnover comprises the value of contracting work executed during the year plus the invoiced value of other sales. The value of contracting work is based on measured valuations, incorporating profit earned to the valuation date and adjusted for any anticipated losses. Other sales are invoiced upon performance of the services provided.

The amount by which recorded turnover on uncompleted contracts is in excess of payments on account is classified as amounts recoverable on contracts and separately disclosed in debtors.

The amount by which payments on account on uncompleted contracts is in excess of recorded turnover is classified as long term contract payments on account and separately disclosed in creditors.

Depreciation

Tangible fixed assets are depreciated over their estimated useful lives on the following bases:

Freehold land	- Nil
Freehold buildings	- 4-6% on a straight line basis
Plant & machinery	- 10% - 33% on a straight line basis
Motor vehicles	- 12.5% - 25% on a straight line basis

Government grants

Grants relating to the Coronavirus Job Retention Scheme are recognised in full in the period in which the associated salary, national insurance and pension costs were incurred.

Investment property

Investment property is shown at the lower of cost or net realisable value. Any impairment of value will be recognised in the income statement. The difference between market value and cost at the year end is not considered material.

Stocks and work in progress

Work in progress and sites awaiting development and development properties are stated at the lower of cost and net realisable value. Cost comprises costs of land and costs of development. Net realisable value incorporates expected costs to completion and disposal. Provision is made against all categories of work in progress where it is anticipated that cost will not be fully recovered against future disposals.

Raw materials and consumables are stated at the lower of cost and net realisable value.

Taxation

Tax is recognised in the Consolidated Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 November 2020

2. ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Investments

Fixed asset investments are stated at cost less accumulated impairment losses.

Pensions

The pension costs charges in the financial statements represent the contribution payable by the group during the year.

3. TURNOVER

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

An analysis of turnover by class of business is given below:

	2020 £	2019 £
Construction Contracting	125,646,066	145,611,227
Homes and JV Developments	19,317,686	19,560,282
Plant Hire & Vehicle Servicing	1,615,900	1,738,399
Waste Recycling	3,414,016	3,334,513
Other Construction Services	249,432	326,561
	<u>150,243,100</u>	<u>170,570,982</u>

Group turnover represents sales to external customers, derived from the group's principal activities, conducted within the United Kingdom, and ancillary income from plant hire, property and other operating sources.

All turnover arose within the United Kingdom.

4. EMPLOYEES AND DIRECTORS

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

	2020	2019
Directors	8	8
Site based employees	354	384
Office based employees	280	297
	<u>642</u>	<u>689</u>

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

	2020 £	2019 £
Wages and salaries	22,510,292	24,110,859
Social security	2,304,290	2,508,096
Other pension costs	1,261,817	1,080,455
	<u>26,076,399</u>	<u>27,699,410</u>

During the year, the company received Coronavirus Job Retention Support grants amounting to £2,052,103. The majority of this was received in April, May and June during which time the company topped up wages and salaries of all furloughed employees with Directors taking pay cuts.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 November 2020

5. DIRECTORS' EMOLUMENTS

	2020 £	2019 £
Emoluments	<u>1,180,926</u>	<u>1,485,588</u>
Company pension scheme contributions to defined contribution schemes	<u>23,962</u>	<u>53,925</u>

During the year retirement benefits were accruing to 8 directors (2019 - 8) in respect of defined contribution pension schemes.

The highest paid director received the following amounts during the year:

Aggregate remuneration (excluding pension contributions)	185,114	235,386
Company contributions paid to a defined contribution pension scheme	-	-

6. OPERATING PROFIT

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

	2020 £	2019 £
Depreciation - owned assets	3,292,833	3,150,225
Profit on disposal of fixed assets	(334,321)	(318,567)
Plant hire payable	1,933,256	2,189,649
Plant hire receivable	(386,117)	(487,252)
Rent receivable	<u>(1,420,780)</u>	<u>(1,606,300)</u>

Auditors Remuneration

	2020 £	2019 £
Fees payable to the group's auditor for the audit of the group's annual accounts	35,700	35,595
Fees payable to the group's auditor and its associates in respect of: Preparation of statutory financial statements	<u>320</u>	<u>310</u>

Fees payable for the group's auditor noted above include fees in respect of the parent company of £30,000 (2019: £29,095).

7. INTEREST RECEIVABLE AND SIMILAR INCOME

	2020 £	2019 £
Bank interest	83,515	97,545
Other interest	49,373	91,695
	<u>132,888</u>	<u>189,240</u>

8. INTEREST PAYABLE AND SIMILAR EXPENSES

	2020 £	2019 £
Other interest	198	5,585
Dividends paid on Preference shares	24,053	31,697
	<u>24,251</u>	<u>37,282</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 November 2020

9. TAXATION

Analysis of the tax charge

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

	2020 £	2019 £
Current tax:		
UK corporation tax	399,487	715,000
Adjustments in respect of prior periods	(79,940)	(202,822)
Total current tax	319,547	512,178
Deferred tax	-	140,000
Tax on profit	319,547	652,178

Reconciliation of total tax charge included in profit and loss

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

	2020 £	2019 £
Profit before tax	1,928,960	4,222,942
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	366,502	802,359
Effects of:		
Expenses not deductible for tax purposes	15,513	17,202
Capital allowances in excess of depreciation	-	(26,661)
Depreciation in excess of capital allowances	57,503	-
Income not taxable	(2,413)	(77,900)
Other adjustments	(37,618)	-
Adjustment to tax charge for prior periods	(79,940)	(202,822)
Deferred tax provision	-	140,000
Total tax charge	319,547	652,178

10. INDIVIDUAL INCOME STATEMENT

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

11. DIVIDENDS

	2020 £	2019 £
Ordinary shares of £0.01 each		
Final	471,243	682,393
Interim	-	477,697
	471,243	1,160,090

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 November 2020

12. TANGIBLE FIXED ASSETS

Group	Freehold property £	Plant and machinery £	Motor vehicles £	Totals £
COST				
At 1 December 2019	10,640,050	10,272,048	8,352,634	29,264,732
Additions	37,820	881,511	902,814	1,822,145
Disposals	-	(1,074,339)	(1,607,993)	(2,682,332)
At 30 November 2020	10,677,870	10,079,220	7,647,455	28,404,545
DEPRECIATION				
At 1 December 2019	2,573,823	5,824,338	4,579,620	12,977,781
Charge for year	591,978	1,201,903	1,498,952	3,292,833
Eliminated on disposal	-	(1,020,634)	(1,517,188)	(2,537,822)
At 30 November 2020	3,165,801	6,005,607	4,561,384	13,732,792
NET BOOK VALUE				
At 30 November 2020	7,512,069	4,073,613	3,086,071	14,671,753
At 30 November 2019	8,066,227	4,447,710	3,773,014	16,286,951

Land held at 30 November 2020 that has not been depreciated is included at £830,770 (2019: £830,770).

Freehold land and buildings include properties situated on the company's operating site. Sites are let out to tenants with a carrying value of £1,001,982 (2019: £1,069,376).

The cost of plant and vehicles available for hire amounted to £5,925,117 (2019: £6,234,294). The accumulated depreciation thereon was £3,316,179 (2019: £3,535,949).

Company	Freehold property £	Plant and machinery £	Motor vehicles £	Totals £
COST				
At 1 December 2019	10,640,050	10,272,048	8,352,634	29,264,732
Additions	37,820	881,511	902,814	1,822,145
Disposals	-	(1,074,339)	(1,607,993)	(2,682,332)
At 30 November 2020	10,677,870	10,079,220	7,647,455	28,404,545
DEPRECIATION				
At 1 December 2019	2,573,823	5,824,338	4,579,620	12,977,781
Charge for year	591,978	1,201,903	1,498,952	3,292,833
Eliminated on disposal	-	(1,020,634)	(1,517,188)	(2,537,822)
At 30 November 2020	3,165,801	6,005,607	4,561,384	13,732,792
NET BOOK VALUE				
At 30 November 2020	7,512,069	4,073,613	3,086,071	14,671,753
At 30 November 2019	8,066,227	4,447,710	3,773,014	16,286,951

Land held at 30 November 2020 that has not been depreciated is included at £830,770 (2019: £830,770).

Freehold land and buildings include properties situated on the company's operating site. Sites are let out to tenants with a carrying value of £1,001,982 (2019: £1,069,376).

The cost of plant and vehicles available for hire amounted to £5,925,117 (2019: £6,234,294). The accumulated depreciation thereon was £3,316,179 (2019: £3,535,949).

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 November 2020

13. **FIXED ASSET INVESTMENTS**

Group

	Interest in other participating interests £	Unlisted investments £	Totals £
COST			
At 1 December 2019 and 30 November 2020	319,430	55,500	374,930
PROVISIONS			
At 1 December 2019 and 30 November 2020	-	55,500	55,500
NET BOOK VALUE			
At 30 November 2020	319,430	-	319,430
At 30 November 2019	319,430	-	319,430

Company

	Shares in group undertakings £	Interest in other participating interests £	Unlisted investments £	Totals £
COST				
At 1 December 2019 and 30 November 2020	660,500	319,430	55,500	1,035,430
PROVISIONS				
At 1 December 2019 and 30 November 2020	660,183	-	55,500	715,683
NET BOOK VALUE				
At 30 November 2020	317	319,430	-	319,747
At 30 November 2019	317	319,430	-	319,747

Participating interests

The company holds 20% or more of the share capital of the following joint venture (JV) companies:

Name of company	Activity	Class of shares	Proportion held
Temple Garth Limited	JV Property development	Ordinary shares	50%
LC Community Projects Limited	JV Property development	Ordinary shares	50%
Brook & Mayo Limited	Electrical services	Ordinary shares	20.27%
Kingswater-Lindum (Lincoln) Limited	JV Property development	Ordinary shares	50%
E B (Lincoln) Limited	JV Property development	Ordinary shares	20%
Brayford Development Company Limited	Dormant	Ordinary shares	39.98%

All the above companies are registered in England.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 November 2020

13. FIXED ASSET INVESTMENTS - continued

The aggregate amount of capital and reserves and the results of these undertakings for the latest relevant financial year were as follows:

	Financial Year End	Capital and reserves £	Profit/(loss) for the year £
Temple Garth Limited	30/11/2019	22,102	20,544
LC Community Projects Limited	31/08/2020	194,000	169,000
Brook & Mayo Limited	31/03/2020	1,721,376	176,743
Kingswater-Lindum (Lincoln) Limited	30/11/2019	21,299	(2,124)
E B (Lincoln) Limited	31/12/2019	1,495,336	148,424
Brayford Development Company Limited	30/11/2019	4,175	-

Trading subsidiary undertakings

Lindum Developments Limited is a 100% owned UK subsidiary of Lindum Group Limited, the results of which are included in these consolidated financial statements. Its principal activity is that of joint venture property development. Its loss for the year after tax was £690,911 (2019: Loss of £574,546) and its total capital and reserves at the year end were £668,165 (2019: £1,359,076).

Doddington Estates Limited is a 100% owned UK subsidiary of Lindum Group Limited, the results of which are included in these consolidated financial statements. Its principal activity is that of joint venture property development. Its profit for the year after tax was £nil (2019: £23,425) and its capital and reserves at the year end were £nil (2019: £nil). The company was dormant at the year end.

L B Mablethorpe Limited is a 100% owned UK subsidiary of Lindum Group Limited, the results of which are included in these consolidated financial statements. Its principal activity is that of joint venture property development. Its loss for the year after tax was £53 (2019: profit of £629,633) and its total capital and reserves at the year end were £701,330 (2019: £701,383).

Lindum Western Growth Community Limited is a 100% owned UK subsidiary of Lindum Group Limited, the results of which are included in these consolidated financial statements. Its principal activity is that of joint venture property development including housing. Its loss for the year after tax was £413,547 (2019: Loss of £738,579) and its total capital and reserves at the year end were £1,218,559 (2019: £1,632,106).

Mableford Limited is a 55% owned UK subsidiary of Lindum Group Limited, the results of which are included in these consolidated financial statements. Its principal activity is that of joint venture housing development. Its profit for the year after tax was £83,071 (2019: £45,463) and its total capital and reserves at the year end were £128,634 (2019: £45,563).

Dormant subsidiary undertakings and Residents Management Companies

The following companies are wholly owned dormant UK subsidiaries of Lindum Group Limited:

Lindum Builders Limited, Lindum Construction Company Limited, Lindum Homes Limited, Lindum Group Joinery Limited, Lindum Group Peterborough Limited, DLD Training Limited, Lindum Group KGM Roofing Limited, Lindum Group Plant Hire and Waste Recovery Limited, Lindum Group Green Technology Limited, Lindum Group Trustees Limited, Lindum York Limited, Garrett Rise Residents Management Company Limited, The Oaks Residents Management Company (Lincoln) Limited, The Paddocks (Navenby) Management Company Limited, Church Fields (Lincoln) Management Company Limited, Canwick Villa Management Company Limited.

The capital and reserves of these companies are negligible.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 November 2020

14. INVESTMENT PROPERTY

Group

	Total £
FAIR VALUE	
At 1 December 2019 and 30 November 2020	1,864,943
NET BOOK VALUE	
At 30 November 2020	1,864,943
At 30 November 2019	1,864,943

An internal valuation has been conducted on the investment property on an open market basis by a person with relevant professional qualifications and expertise in the type and geographical location of the property.

Company

	Total £
FAIR VALUE	
At 1 December 2019 and 30 November 2020	1,864,943
NET BOOK VALUE	
At 30 November 2020	1,864,943
At 30 November 2019	1,864,943

An internal valuation has been conducted on the investment property on an open market basis by a person with relevant professional qualifications and expertise in the type and geographical location of the property.

15. STOCKS

	Group		Company	
	2020 £	2019 £	2020 £	2019 £
Raw materials	39,821	29,867	39,821	29,867
Work-in-progress	13,347,781	15,728,290	9,868,208	11,534,226
Development Properties	4,623,149	8,678,442	1,820,421	4,018,042
	<u>18,010,751</u>	<u>24,436,599</u>	<u>11,728,450</u>	<u>15,582,135</u>

16. DEBTORS

	Group		Company	
	2020 £	2019 £	2020 £	2019 £
Amounts falling due within one year:				
Trade debtors	15,299,344	17,089,452	15,232,535	16,956,156
Amounts owed by group undertakings	-	-	3,543,968	4,269,336
Amounts recoverable on contracts	7,862,847	5,914,291	7,862,847	5,914,291
Other debtors	2,222,756	2,256,309	2,222,756	2,256,354
Prepayments and accrued income	940,462	962,171	940,462	962,171
	<u>26,325,409</u>	<u>26,222,223</u>	<u>29,802,568</u>	<u>30,358,308</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 November 2020

16. DEBTORS - continued

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Amounts falling due after more than one year:				
Trade debtors	871,033	800,975	871,033	800,975
Other debtors	26,800	78,200	26,800	78,200
	<u>897,833</u>	<u>879,175</u>	<u>897,833</u>	<u>879,175</u>
Aggregate amounts	<u>27,223,242</u>	<u>27,101,398</u>	<u>30,700,401</u>	<u>31,237,483</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Payments on account	3,887,248	2,378,506	3,887,248	2,378,506
Trade creditors	44,223,127	40,755,085	44,128,384	40,679,524
Amounts owed to associates	1,322,853	1,275,398	-	-
Corporation tax	133,677	302,113	114,191	143,757
Social security and other taxes	1,934,528	1,471,237	1,946,342	1,492,460
Other creditors	460,183	857,230	356,238	580,897
Accruals and deferred income	3,786,123	4,327,556	3,593,782	4,327,556
	<u>55,747,739</u>	<u>51,367,125</u>	<u>54,026,185</u>	<u>49,602,700</u>

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

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Preference shares (see note 19)	<u>504,380</u>	<u>704,380</u>	<u>504,380</u>	<u>704,380</u>

19. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Amounts falling due in more than five years:				
Repayable otherwise than by instalments				
£1 Preference shares	<u>504,380</u>	<u>704,380</u>	<u>504,380</u>	<u>704,380</u>

During the year 200,000 £1 preference shares were redeemed.

Preference shareholders are entitled to a fixed dividend of 4.5% of the nominal value of their shares which is paid out of profits prior to other dividends. In the event of a return on assets or liquidation or otherwise, the preference shares carry the right to repayment of their nominal value and any arrears of dividends prior to any distribution to ordinary shareholders. Voting rights are limited to voting on a resolution to wind up the company and to vote at a general meeting if dividends are in arrears for more than twelve months.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 November 2020

20. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group

	Non-cancellable operating leases	
	2020	2019
	£	£
Within one year	4,432	4,432
Between one and five years	9,255	13,687
	<u>13,687</u>	<u>18,119</u>

Company

	Non-cancellable operating leases	
	2020	2019
	£	£
Within one year	4,432	4,432
Between one and five years	9,255	13,687
	<u>13,687</u>	<u>18,119</u>

21. PROVISIONS FOR LIABILITIES

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Deferred tax	<u>140,000</u>	<u>140,000</u>	<u>140,000</u>	<u>140,000</u>

Group

	Deferred tax
	£
Balance at 1 December 2019	<u>140,000</u>
Balance at 30 November 2020	<u>140,000</u>

Company

	Deferred tax
	£
Balance at 1 December 2019	<u>140,000</u>
Balance at 30 November 2020	<u>140,000</u>

22. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	2020	2019
Number:	Class:		£	£
17,507,600	Ordinary	0.01	175,076	175,076
504,380	4.5% Preference (see note 18 and 19)	1.00	-	-
			<u>175,076</u>	<u>175,076</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 November 2020

22. CALLED UP SHARE CAPITAL - continued

There is an active market in the shares of Lindum Group Limited with Lindum Group Trustees Limited acting as market maker. During the year 1,355,494 shares were traded, of which 442,670 were transacted as part of the HMRC approved share incentive plan. 309 employees participated in the SAYE scheme during 2020. The scheme provides a major (share) benefit to all Lindum employees.

Overall 396 employees are shareholders at the year end. The entity is owned and controlled by its shareholders. By virtue of shareholdings retained within the Chambers family, the Chairman, Mr D C Chambers, can be identified as the ultimate controlling party of the company.

23. RESERVES

Group

	Retained earnings £	Share premium £	Revaluation reserve £	Capital redemption reserve £	Totals £
At 1 December 2019	45,598,939	1,263,867	688,062	52,583	47,603,451
Profit for the year	1,572,031				1,572,031
Dividends	(471,243)				(471,243)
Redemption of preference shares	(200,000)	-	-	200,000	-
Realisation of depreciation on the revalued assets	109,118	-	(109,118)	-	-
At 30 November 2020	<u>46,608,845</u>	<u>1,263,867</u>	<u>578,944</u>	<u>252,583</u>	<u>48,704,239</u>

Company

	Retained earnings £	Share premium £	Revaluation reserve £	Capital redemption reserve £	Totals £
At 1 December 2019	41,880,861	1,263,867	688,062	52,583	43,885,373
Profit for the year	2,630,853				2,630,853
Dividends	(471,243)				(471,243)
Redemption of preference shares	(200,000)	-	-	200,000	-
Realisation of depreciation on the revalued assets	109,118	-	(109,118)	-	-
At 30 November 2020	<u>43,949,589</u>	<u>1,263,867</u>	<u>578,944</u>	<u>252,583</u>	<u>46,044,983</u>

24. NON-CONTROLLING INTERESTS

Lindum Group Limited hold 55% of the shares in Mableford Limited with the remaining held by its JV partner, as a minority interest which is reflected on the consolidated balance sheet.

25. PENSION COMMITMENTS

The company operates a defined contribution pension scheme in respect of the employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £1,261,817 (2019: £1,080,455) during the year.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 November 2020

26. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to directors subsisted during the years ended 30 November 2020 and 30 November 2019:

	2020	2019
	£	£
K E Damarell	14,987	14,987
S J Gregory	14,970	14,970
M J Papworth (Resigned as a director on 1 Feb 2019)	-	14,970
R A J Kok	14,993	14,993
S D Mitchell	14,996	14,996
J P Sizer	14,996	14,996

The above outstanding loans are for the purchase of company shares and have no fixed repayment dates.

Loans to other employees amount to £732,184 (2019: £614,449).

27. RELATED PARTY DISCLOSURES

Transactions with Directors and close family members

During the year directors and close family members purchased goods and services from the company of £107,421 (2019: £82,926). The balance owed to Lindum Group Ltd at the year end was £4,284 (2019: £5,443) which was repaid shortly after the year end.

Directors' interests in share capital in the parent company are disclosed in the directors report.

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Transactions and balances with companies in which Lindum Group Limited has a participating interest are as follows:

Kingswater Lindum (Lincoln) Limited

During the year the group made net sales of £156 (2019: £400) to Kingswater Lindum (Lincoln) Limited and net purchases of £nil (2019: £nil) from Kingswater Lindum (Lincoln) Limited. There was £nil (2019: £480) outstanding at the year end due from Kingswater Lindum (Lincoln) Limited.

E B (Lincoln) Limited

During the year the group made net sales of £26,679 (2019: £81,132) to E B (Lincoln) Limited. No amounts were outstanding at the year end.

There were no repayments (2019: £nil) in the period relating to the loan to EB (Lincoln) Limited. The balance at the year end was £228,300 (2019: £228,300) and is included within other investments.

There is also a loan included within other debtors. A further loan of £nil (2019: £462,000) was made in the period and no repayments were made in the period (2019: £nil). The balance remaining is £762,000 (2019: £762,000) due from E B (Lincoln) Limited.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 November 2020

Temple Garth Limited

During the year the group charged interest of £nil (2019: £38,876) to Temple Garth Limited. A further loan of £50,000 (2019: £nil) was made to the company during the year. At the year end Temple Garth Limited owed £30,000 (2019:£nil) to the group.

The group's contracting turnover with Temple Garth Limited was £4,914 (2019: £1,999,879). No amount was outstanding at the end of the year (2019: £nil).

During the year, the group received dividend income of £nil (2019: £410,000).

Brook & Mayo Limited

During the year the group made net sales of £32,020 (2019: £27,251) to Brook & Mayo Limited. The Group also paid net sub-contract costs of £1,915,369 (2019: £3,183,150) to Brook & Mayo Limited. There was a trading balance of £3,099 (2019: £1,950) due from Brook & Mayo Limited at the year end. There was also a trading balance of £330,578 (2019: £467,855) due to Brook & Mayo Limited at the year end.

During the year, the group received dividend income of £12,699 (2019: £11,123) from Brook & Mayo Limited.

Bookminder Limited

During the year, the group made net sales of £156 (2019: £400) to Bookminder Limited, a company in which D C Chambers and H F F Kok hold indirect interests. There was £nil (2019: £480) outstanding at the year end due from Bookminder Limited.

Other related party transactions:

LC Community Projects Limited

During the year, the group made loan advances of £nil (2019: £1,102,868) to LC Community Projects Limited, a company in which D C Chambers and S Mitchell were directors and in which the group hold 50% of the share capital.

During the year the group made net sales of £2,334 (2019: £nil) to LC Community Projects Limited.

LC Community Projects Limited made repayments of £250,000 (2019: £573,633). There was a debtor of £343,026 (2019: £590,692) due from LC Community Projects Limited at the year end.

Investors In Lincoln Limited

During the year, the group made net sales of £nil (2019: £3,731) to Investors in Lincoln Limited, a company in which D C Chambers is a non executive director. No amounts were outstanding at the year end.

Kingswater Lindum Limited

In the prior year the group made a loan advance of £46,000 to Kingswater Lindum Limited, a company in which D C Chambers has an indirect minority interest. There was £20,285 (2019: £46,000) outstanding at the year end due from Kingswater Lindum Limited.