

**REGISTERED NUMBER: 01236338 (England and Wales)**

**Report of the Directors and**  
**Consolidated Financial Statements**  
**for the Year Ended 30 November 2012**  
**for**  
**Lindum Group Limited**

SATURDAY



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**Contents of the Consolidated Financial Statements**  
**for the Year Ended 30 November 2012**

	<b>Page</b>
<b>Company Information</b>	<b>1</b>
<b>Chairman's Report</b>	<b>2</b>
<b>Report of the Directors</b>	<b>3</b>
<b>Report of the Independent Auditors</b>	<b>14</b>
<b>Consolidated Profit and Loss Account</b>	<b>16</b>
<b>Consolidated Statement of Total Recognised Gains and Losses</b>	<b>17</b>
<b>Consolidated Balance Sheet</b>	<b>18</b>
<b>Company Balance Sheet</b>	<b>19</b>
<b>Consolidated Cash Flow Statement</b>	<b>20</b>
<b>Notes to the Consolidated Cash Flow Statement</b>	<b>21</b>
<b>Notes to the Consolidated Financial Statements</b>	<b>23</b>

**Lindum Group Limited**  
**Company Information**  
**for the Year Ended 30 November 2012**

**DIRECTORS:**

D C Chambers  
K E Damarell  
S J Gregory  
H F F Kok  
P N P McSorley  
M J Papworth

**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

**Lindum Group Limited (Registered number: 01236338)**

**Report of the Directors**  
**for the Year Ended 30 November 2012**

**Chairman's Report**

In Lindum's 56th year as a construction business, I am pleased to report a steady and profitable year and one in which those profits have been retained and invested in the business. In particular we invested in refurbished offices on our Peterborough Business Park and in a new Regional office in York. The company's net asset value is now a creditable and strong £28.3m, conservatively valued and low gearing.

In March 2013, [just after a visit by Princess Anne to see our business park in Lincoln], we were voted the best [construction] company to work for and 6th in the national lists for all firms in the Sunday Times. We believe that looking after our employees, as well as we possibly can, will give us the best chance of providing an outstanding service to clients, in terms of value, quality and time, at pre-start, during delivery and after completion.

Today, the overall market environment is clearly very tough and competitive and is likely to remain so for a while to come. However, we have a good order book, with good clients and believe that our business model/approach and healthy balance sheet will allow us to continue to offer competitive and different solutions, with good service to existing and new clients alike.

I should like to take this opportunity of thanking all employees, suppliers, subcontractors and clients with whom we work, for their efforts, skills and determination, which means that we can look forward to our 57th year, and the years ahead, with some confidence.



David Chambers  
Chairman

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**Lindum Group Limited (Registered number: 01236338)**

**Report of the Directors**  
**for the Year Ended 30 November 2012**

**DIRECTOR'S REPORT**

The Directors have pleasure in submitting their annual report including the audited financial statements for the year ended 30th November 2012.

**PRINCIPAL ACTIVITY**

The principal activity of the Group during the year was Construction and Associated Activities

**REVIEW OF BUSINESS**

**Market Conditions in 2012**

With the Economy in difficulty and a shrinking Construction Market, our commercial environment became even more 'price focussed', resulting in further pressure on Margins

***Major Factors which influenced our market during 2012 were:-***

- Banks over-exposed to property, remained unsupportive of Development Projects
- A continual lack of Affordable Mortgages continued to depress the Lincolnshire Housing Market
- The Government's apparent lack of clarity on Green Technology prevented Construction companies from investing in the sector
- Due to government cuts, the Social Housing Sector remained under pressure but on the positive side, RSLs began to use their balance sheet strength to fund projects
- Economic uncertainty and confidence continued to be a problem and has made business reluctant to invest in capital projects

With the "Olympics Building Boom" coming to an end, it should not have come as a surprise that *the Construction Market shrank* further in 2012 (and output continues to fall during the early part of 2013)

Banks remained focused on 'repairing their balance sheets' and their exposure to a potential Euro Currency Crisis did not help. In addition the 'mis-selling' scandals surrounding Mortgage Protection Schemes, Interest Swaps (combined with fines for the LIBOR conspiracy) and lately inappropriate 'Investment Advice' did/does little to stabilise the banking world. *We appear still to be a long way off from "banking as we used to know it"*

*'Market Confidence'* seems to be returning to the UK housing market, as evidenced by the American acquisition of Countrywide, reported profits from bigger house-builders such as Barratts and Persimmon and reports that government funding initiatives seem to be having an impact on the market. However, all this good news seems to be happening outside Lincolnshire, as our local commercial housing market remains flat, though not declining at present. Fortunately, the Social Housing Market provided Lindum Group Ltd Division with a welcome though competitive workload during 2012 (and beyond!)

**Lindum Group Limited (Registered number: 01236338)**

**Report of the Directors**  
**for the Year Ended 30 November 2012**

**Investment in our business**

Despite the more difficult trading conditions, we have continued to invest in the business out of internal cash flows and, in particular, have opened a new Lindum Group Ltd office in York. This means that we can service North Yorkshire and East Riding, providing services to existing clients and some diversification in terms of geography to the group. Whilst it is early days, we have made a positive start and we look forward to the Lindum York business winning work and clients in the years ahead.

Also in 2012, we have strengthened the Peterborough regional office, with the Lindum Sturgeon and KGM Roofing teams sharing a refurbished and modern facility in Peterborough, which has improved greatly our profile and capability in the area and the investment of approx £2.5M in the brownfield site is a significant commitment to the Peterborough area and economy, whilst the buildings/offices 'showcase' a range of Green Technologies.

Further investment was made in new equipment for Lindum Plant and Lindum Waste Recovery (LWR) and we have also opened a new branch at our new Peterborough Business Park for Lindum Plant, so that we are able to offer Fleet and Plant servicing as well as a comprehensive selection of Commercial Plant Equipment, as we do in Lincoln.

**Education Sector**

During 2012, we have been engaged increasingly successfully in the Education Sector, working for Lincoln University and Lincolnshire FE Colleges as well as Local Schools - in addition, due to our Further Education experience, we were selected as the preferred contractor for Lambeth College, London on the first phase of a prestigious (and ambitious) refurbishment project.



***A ROYAL Visit*** - a highlight in 2012 was the completion of the Deans Building for Lincoln College, a £5m investment in the local community, which was formally opened by the Princess Royal in February 2013, after which we welcomed the HRH to our Business Park in Lincoln, and when a large number of employees and tenants were introduced.

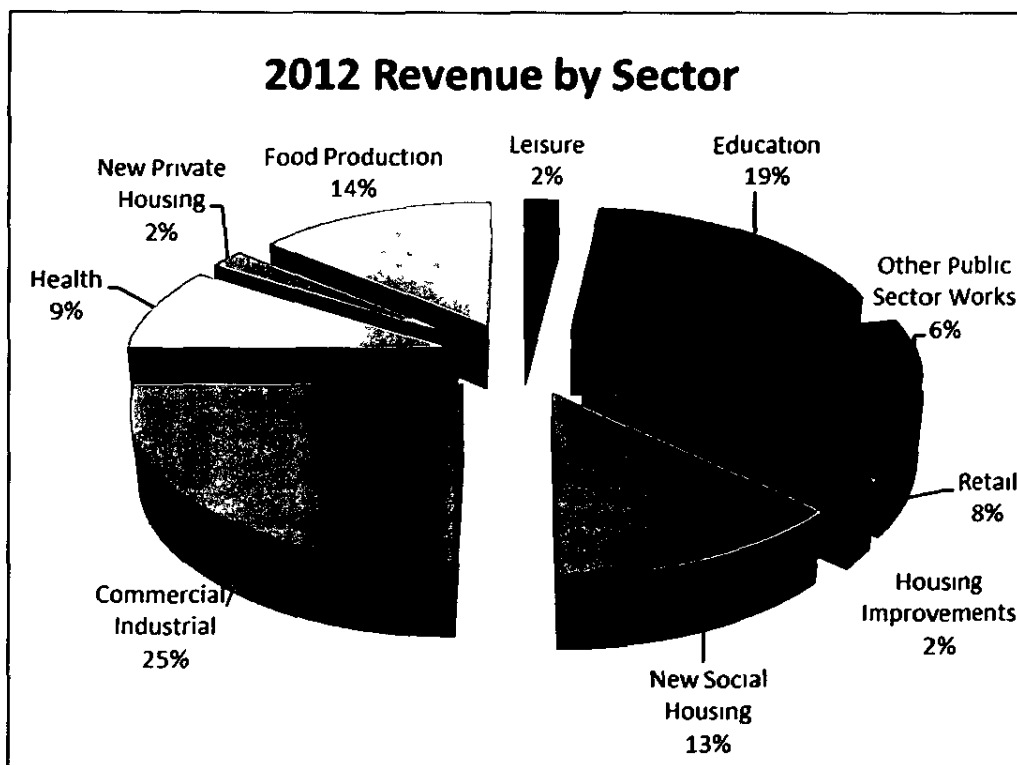
**Report of the Directors**  
**for the Year Ended 30 November 2012**

**Results and Dividend**

- Reported turnover for 2012 was £83M, steady, compared to £84M for 2011 - however if we take inter-divisional trade (£8M) into account, *the total group activity was in excess of £90M*
- Consolidated Group Profit before Taxation (PBT) for 2012 was £2.4M, yielding a PBT Margin of 3%, which places us in the top 8% of construction companies in terms of financial performance.
- *P&L includes a special item of £222K, the cost of issuing £500 worth of Free Shares to all Lindum Group Ltd employees in November 2012*
- We achieved a Gross Margin on Sales of £14 Million, which at 16% reflects the mix of services we offer (*Due to overhead allocation Roofing and our JV work yield a higher GM% compared to pure construction activities*)
- Cash resources remained strong at £14.4 Million
- Our Balance Sheet shows a Net Worth of over £28 Million

**All very positive news!**

*Good customer and supply chain relationships, combined with team work between our trading divisions, resulted in a better than average 2012 performance for Lindum Group Ltd in a difficult construction market*



2012 Activities - a Balanced Score Card - The Turnover Mix shows a balanced picture with no over-dependence on any one Specific Sector

**Lindum Group Limited (Registered number: 01236338)**

**Report of the Directors**  
**for the Year Ended 30 November 2012**

**Shareholder Values & Dividend**

The Directors recommend the payment of a final dividend of 20 pence per share, bringing the total dividend relating to 2012 activities to 38 pence per share - reflecting a strong result in a very difficult market. The increase in Share Values combined with Dividend Payments, resulted in a 7.8% yield for individual (employee) shareholders. In addition all Lindum Group Ltd employees received Free Issue Shares to the value of £500.

At the end of the year 445 Lindum Employees were shareholders and 168 employees had taken advantage of our Employee SAYE Share Saving Scheme.

**DIVIDENDS**

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

		£
2011 Final Dividend	Paid 11 April 2012	353,087
2012 Interim Dividend	Paid 4 September 2012	305,546

**DIRECTORS**

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

	Ordinary shares of 10p each	
	30/11/12	30/11/11
D C Chambers	761,495	761,495
K E Damarell	57,663	64,086
S J Gregory	26,485	22,684
H F F Kok	109,314	109,148
P N P McSorley	140,102	139,936
M J Papworth	21,377	21,222

D C Chambers also holds non-beneficial interests in 190,800 ordinary shares in his capacity as a trustee.



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**Lindum Group Limited (Registered number: 01236338)**

**Report of the Directors**  
**for the Year Ended 30 November 2012**

**Looking Ahead.....**

**Challenging Conditions for 2013**

The double dip / triple dip recession is rapidly resembling the Pyrenees - and a long winding road at that Britain, losing its AAA rating, became more of a political embarrassment than an economic disaster, partly because the Italian election resulted in a 'Red Nose Day' outcome when a right wing party led by a 'national comedian' (opposed to spending cuts) made major gains and in the process put pressure back on the Euro.

We may have (narrowly) escaped a run on sterling but economic conditions for 2013 are, based on Q1 data, far from rosy, consumer spending remains subdued, exports are slow, despite sterling trading at a competitive rate against other currencies, whilst import prices for raw materials are rising. Manufacturing output is subdued, mainly due to a weakness in the construction-related sectors.

On a positive note there are signs of improvement in the housing market activity and investment intentions (according to bank of England data) are edging higher and there are reports of corporate credit availability improving.

**Business as Usual for Lindum Group Divisions**

*The Economy has been depressed for so long, that we are now beginning to accept these conditions as 'normal'*

The Construction Market is extremely competitive and we can perhaps take great comfort that our healthy workload must mean that we do offer best value and service to our clients.

Many of our regional competitors have gone out of business, which is no good thing as capacity and skills can be lost in our industry sector, which could slow down the eventual recovery.

*Cash flow remains the lifeblood of all businesses* and we are effective in using our cash reserves to unlock opportunities for our commercial operations.

Certainly, the size and structure of Lindum Group Ltd is such that we are (still) able to *adapt to changing market conditions*. We have an unusual and effective business model and a team that appears to deliver consistently and when the Private Sector (Development and Housing) market fell away in 2007, we were able to, quickly, establish our place in the Public Sector Market (Social Housing, Education, Health). 2011/12 saw the return of Food, Retail and Commercial elements of the Private Sector Market and we are pleased that enquiry levels proved that our reputation in these sectors remained high.

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**Lindum Group Limited (Registered number: 01236338)**

**Report of the Directors**  
**for the Year Ended 30 November 2012**

**Future Workload**

Based on our current workload and order-pipe-line, our internal (conservative) forecasts indicate that for 2013 the group hopes to achieve a PBT of £1 5M from a turnover of £85M.

This compares with a PBT of £2 4M (forecast £1 8M) on Turnover of £83M (forecast £80M) for 2012 and reflects a further, expected tightening of the market

**Diversity delivers Comprehensive Service**

The importance of support divisions such as Lindum Plant, Lindum Waste Recovery Lindum Joinery and Lindum Security cannot be underestimated; the ability to add exceptional value to our core (construction) activities enables us to provide an unrivalled and coherent service to our clients

Backed by the strength of our balance sheet [and we try to retain profits each year to continue that support], KGM Roofing has established itself as one of the leading roofing companies in the country, providing a service to clients from Scotland to London

**Making the Most of our Strengths**

Our plan for 2013 remains transparent and simple We will make the most of our strengths, People, Ethos, Financial Stability and offering Value for money

- Our employees are share-holders/stake-holders in our business, their commitment to customer service is a key-factor in our success
- We will use our strong cash-flows to assist our supply-chain partners in order to improve efficiency and continual cost reduction, which, in turn, ensures we remain competitive
- We offer a Comprehensive In-house service using either our own tradesmen or our project management teams from Joint Venture Development (land finding) to Turn-key completed projects
- We are trusted and fair and wish to continue to operate in that way

**Lindum Group Limited (Registered number: 01236338)**

**Report of the Directors**  
**for the Year Ended 30 November 2012**

**EMPLOYMENT POLICY**

**Employee Numbers**

The average number of persons employed in the Group, including directors, during the year was 462 (2011 - 433) - an increase of 7%, when a number of our competitors were, for another year, forced to reduce their workforce

**PRP**

The Group operates a Profit Related Pay scheme, which distributes 10% of profits equally between all employees

**Welfare, Health & Safety**

The Welfare, health and safety of all staff is actively promoted by the provision of good facilities and their motivation by training, consultation and participation in the Group's results, given through performance and personal merit awards

*The Sunday Times 'Best 100 Companies' competition short-listed Lindum Group Ltd in the Employee Wellbeing Category. For 2013 we were once again awarded a 3-star rating*

**Stake-holder Culture**

Our employees are genuine stake-holders in the Share Ownership of the Group, 445 employees are shareholders and 168 employees participate in our share saving scheme. All employees are viewed as true partners in the business

**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 2012 numbered 169,248 (2011 - 82,417) thereby creating an active market of £1,563,120 in value (2011 - £741,000). We also operate a SAYE share scheme, 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, of course, continued employment and training is provided to employees who become 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 which complement regular in-house training events

**Lindum Group Limited (Registered number: 01236338)**

**Report of the Directors**  
**for the Year Ended 30 November 2012**

**Apprentice Training Schemes**

We pay particular attention to our in-house 'Apprentice Training Schemes' which we hope will continue to deliver our 'Stars for 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 all youth training pilot schemes over the last 10 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 800 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, plumbing to quantity surveying, project management and architecture & design

**Sunday Times Best Companies Competition**

In March 2013, Lindum Group Ltd received an award for being the **6th Best Company to Work for in the Sunday Times Best Companies** competition. The result was based on a Best Companies confidential survey of Lindum Group Ltd employees. This ranks Lindum Group Ltd as the highest ranking UK Construction company.

**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 every education/training pilot scheme introduced in Lincolnshire. We offer real apprenticeships underpinned by a good quality training programme - our philosophy is that an apprenticeship is there for the long haul, not just for the duration of a (public sector) contract!

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 some of our employees serve on Charity Boards and public sector (unpaid) Quangos (GLLEP, Employment & Skills Board etc.)

**Lindum Group Limited (Registered number: 01236338)**

**Report of the Directors**  
**for the Year Ended 30 November 2012**

Not all our investments are commercially driven, we hold a sizable stake in Lincoln City Football Club because local football has a significant relevance for the local community. We provide accommodation to Sense (a charity for the Deaf and Blind), Linkage and Care UK in several of our locations and the Lindum Business Park is home to a community of businesses, some of whom benefit from our in-house Venture Capital support provided through our Lindum Nursery Scheme (see our website [www.lindumgroup.com](http://www.lindumgroup.com) for further details). We pioneered managed workspace support in Lincolnshire from 1992 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 truth and transparency) 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"*

**Directors**

The directors who held office during the year were,  
DC Chambers, KE Damarell, SJ Gregory, HFF Kok, PNP McSorley, MJ Papworth

**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,

- External business risks, including regulatory and compliance obligations
- Operational risks arising from the nature of the work undertaken
- Legal risks, eg under contracts with customers and suppliers
- Information risks, including the integrity of IT systems and the security of information

**Lindum Group Limited (Registered number: 01236338)**

**Report of the Directors**  
**for the Year Ended 30 November 2012**

**Charitable Donations**

Donations amounted to £20,713 (2011, £19,192) In addition to monetary donations Lindum Group Ltd 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 2012 directors of Lindum Group Ltd continued to support an entrepreneurial venture capital fund for a deprived area in India - 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 (*earthly*) benefit from this initiative

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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

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

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

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

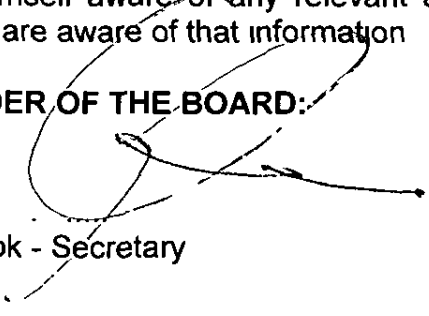
**Lindum Group Limited (Registered number: 01236338)**

**Report of the Directors**  
**for the Year Ended 30 November 2012**

**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:**



H F F Kok - Secretary

Date 26 March 2013

**Report of the Independent Auditors to the Members of  
Lindum Group Limited (Registered number: 01236338)**

We have audited the financial statements of Lindum Group Limited for the year ended 30 November 2012 on pages ten to thirty. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

**Respective responsibilities of directors and auditors**

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

**Scope of the audit of the financial statements**

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

**Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the group's and of the parent company's affairs as at 30 November 2012 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.

**Other Matter**

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



**Report of the Independent Auditors to the Members of  
Lindum Group Limited (Registered number: 01236338)**

**Matters on which we are required to report by exception**

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

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



C J Shelbourne MA FCA (Senior Statutory Auditor)  
for and on behalf of Wright Vigar Limited  
Statutory Auditors  
Chartered Accountants & Business Advisers  
15 Newland  
Lincoln  
Lincolnshire  
LN1 1XG

Date 26 March 2013

**Lindum Group Limited (Registered number: 01236338)**

**Consolidated Profit and Loss Account**  
**for the Year Ended 30 November 2012**

	Notes	2012 £	2011 £
<b>TURNOVER</b>	2	83,007,418	84,870,350
Cost of sales		<u>68,929,810</u>	<u>71,134,218</u>
<b>GROSS PROFIT</b>		14,077,608	13,736,132
Administrative expenses		<u>11,612,229</u>	<u>11,001,513</u>
<b>OPERATING PROFIT</b>	5	2,465,379	2,734,619
Income from other participating interests		-	14,521
Interest receivable and similar income	6	239,350	277,127
		<u>239,350</u>	<u>291,648</u>
		2,704,729	3,026,267
Interest payable and similar charges	7	27,086	35,681
		<u>2,677,643</u>	<u>2,990,586</u>
Free issue shares	8	(222,642)	-
Investment write down	8	<u>-</u>	<u>(200,000)</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		2,455,001	2,790,586
Tax on profit on ordinary activities	9	<u>645,757</u>	<u>800,000</u>
<b>PROFIT FOR THE FINANCIAL YEAR FOR THE GROUP</b>		<u><u>1,809,244</u></u>	<u><u>1,990,586</u></u>

**CONTINUING OPERATIONS**

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

**Lindum Group Limited (Registered number: 01236338)**

**Consolidated Statement of Total Recognised Gains and Losses**  
**for the Year Ended 30 November 2012**

	2012 £	2011 £
<b>PROFIT FOR THE FINANCIAL YEAR</b>	1,809,244	1,990,586
Difference between a historical cost depreciation charge and the actual depreciation charge for the year calculated on the revalued amount	75,411	75,795
	<hr/>	<hr/>
<b>TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR</b>	<u>1,884,655</u>	<u>2,066,381</u>

**Lindum Group Limited (Registered number: 01236338)**

**Consolidated Balance Sheet**  
**30 November 2012**

	Notes	2012 £	2011 £
<b>FIXED ASSETS</b>			
Tangible assets	12	11,235,164	8,999,865
Investments	13	<u>984,256</u>	<u>939,152</u>
		12,219,420	9,939,017
<b>CURRENT ASSETS</b>			
Stocks	14	13,035,332	13,461,879
Debtors	15	17,642,223	12,953,690
Cash at bank		<u>14,458,006</u>	<u>17,659,061</u>
		45,135,561	44,074,630
<b>CREDITORS</b>			
Amounts falling due within one year	16	<u>28,315,184</u>	<u>26,124,461</u>
<b>NET CURRENT ASSETS</b>		<u>16,820,377</u>	<u>17,950,169</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		29,039,797	27,889,186
<b>CREDITORS</b>			
Amounts falling due after more than one year	17	<u>304,380</u>	<u>304,380</u>
<b>NET ASSETS</b>		<u>28,735,417</u>	<u>27,584,806</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	19	171,973	171,973
Share premium	20	919,284	919,284
Revaluation reserve	20	1,129,118	1,241,754
Capital redemption reserve	20	52,583	52,583
Profit and loss account	20	<u>26,462,459</u>	<u>25,199,212</u>
<b>SHAREHOLDERS' FUNDS</b>	24	<u>28,735,417</u>	<u>27,584,806</u>

The financial statements were approved by the Board of Directors on 26 March 2013 and were signed on its behalf by



D C Chambers - Director

**Lindum Group Limited (Registered number: 01236338)**

**Company Balance Sheet**  
**30 November 2012**

	Notes	2012 £	2011 £
<b>FIXED ASSETS</b>			
Tangible assets	12	11,235,164	8,999,865
Investments	13	<u>984,358</u>	<u>939,254</u>
		12,219,522	9,939,119
<b>CURRENT ASSETS</b>			
Stocks	14	8,252,539	9,129,080
Debtors	15	21,967,419	16,961,935
Cash at bank		<u>14,410,376</u>	<u>17,627,888</u>
		44,630,334	43,718,903
<b>CREDITORS</b>			
Amounts falling due within one year	16	<u>28,186,873</u>	<u>25,971,505</u>
<b>NET CURRENT ASSETS</b>		<u>16,443,461</u>	<u>17,747,398</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		28,662,983	27,686,517
<b>CREDITORS</b>			
Amounts falling due after more than one year	17	<u>304,380</u>	<u>304,380</u>
<b>NET ASSETS</b>		<u>28,358,603</u>	<u>27,382,137</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	19	171,973	171,973
Share premium	20	919,284	919,284
Revaluation reserve	20	1,129,118	1,241,754
Capital redemption reserve	20	52,583	52,583
Profit and loss account	20	<u>26,085,645</u>	<u>24,996,543</u>
<b>SHAREHOLDERS' FUNDS</b>	24	<u>28,358,603</u>	<u>27,382,137</u>

The financial statements were approved by the Board of Directors on 26 March 2013 and were signed on its behalf by



D C Chambers - Director

**Lindum Group Limited (Registered number: 01236338)**

**Consolidated Cash Flow Statement**  
**for the Year Ended 30 November 2012**

	Notes	2012 £	2011 £
<b>Net cash inflow from operating activities</b>	1	1,771,343	3,534,043
<b>Returns on investments and servicing of finance</b>	2	212,264	255,967
<b>Taxation</b>		(747,516)	(881,437)
<b>Capital expenditure and financial investment</b>	2	(3,628,280)	(2,183,959)
<b>Equity dividends paid</b>		<u>(658,633)</u>	<u>(778,643)</u>
		(3,050,822)	(54,029)
<b>Management of liquid resources</b>	2	1,777,358	2,000,000
<b>Financing</b>	2	<u>72,409</u>	<u>(5,943)</u>
<b>(Decrease)/increase in cash in the period</b>		<u>(1,201,055)</u>	<u>1,940,028</u>

**Reconciliation of net cash flow to movement in net funds**

	3		
(Decrease)/increase in cash in the period		(1,201,055)	1,940,028
Cash inflow from decrease in liquid resources		(2,000,000)	(2,000,000)
Cash (inflow)/outflow from (increase)/decrease in debt and lease financing		<u>(72,409)</u>	<u>5,943</u>
Change in net funds resulting from cash flows		<u>(3,273,464)</u>	<u>(54,029)</u>
<b>Movement in net funds in the period</b>		<u>(3,273,464)</u>	<u>(54,029)</u>
<b>Net funds at 1 December</b>		<u>16,954,290</u>	<u>17,008,319</u>
<b>Net funds at 30 November</b>		<u>13,680,826</u>	<u>16,954,290</u>

**Lindum Group Limited (Registered number: 01236338)**

**Notes to the Consolidated Cash Flow Statement**  
**for the Year Ended 30 November 2012**

**1 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	2012 £	2011 £
Operating profit	2,465,379	2,734,619
Depreciation charges	1,476,110	1,350,784
Profit on disposal of fixed assets	(173,234)	(86,415)
Impairment of investments	45,000	10,500
Decrease/(increase) in stocks	426,547	(889,296)
(Increase)/decrease in debtors	(4,688,533)	1,032,952
Increase/(decrease) in creditors	<u>2,220,074</u>	<u>(619,101)</u>
<b>Net cash inflow from operating activities</b>	<b><u>1,771,343</u></b>	<b><u>3,534,043</u></b>

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

	2012 £	2011 £
<b>Returns on investments and servicing of finance</b>		
Interest received	239,350	247,127
Interest paid	(13,389)	(21,984)
Dividends received	-	44,521
Preference dividends paid	<u>(13,697)</u>	<u>(13,697)</u>
<b>Net cash inflow for returns on investments and servicing of finance</b>	<b><u>212,264</u></b>	<b><u>255,967</u></b>
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(3,973,517)	(2,171,796)
Purchase of fixed asset investments	(90,104)	(125,000)
Sale of tangible fixed assets	<u>435,341</u>	<u>112,837</u>
<b>Net cash outflow for capital expenditure and financial investment</b>	<b><u>(3,628,280)</u></b>	<b><u>(2,183,959)</u></b>
<b>Management of liquid resources</b>		
Cash placed on short term deposit	2,000,000	2,000,000
Free Issue Shares	<u>(222,642)</u>	<u>-</u>
<b>Net cash inflow from management of liquid resources</b>	<b><u>1,777,358</u></b>	<b><u>2,000,000</u></b>
<b>Financing</b>		
Increase/(decrease) in bank	72,409	3,550
Capital repayments in year	<u>-</u>	<u>(9,493)</u>
<b>Net cash inflow/(outflow) from financing</b>	<b><u>72,409</u></b>	<b><u>(5,943)</u></b>

**Lindum Group Limited (Registered number: 01236338)**

**Notes to the Consolidated Cash Flow Statement**  
**for the Year Ended 30 November 2012**

**3 ANALYSIS OF CHANGES IN NET FUNDS**

	At 1 12 11 £	Cash flow £	At 30 11 12 £
Net cash			
Cash at bank	17,659,061	(3,201,055)	14,458,006
Less Deposits treated as liquid resources	<u>(4,000,000)</u>	<u>2,000,000</u>	<u>(2,000,000)</u>
	<u>13,659,061</u>	<u>(1,201,055)</u>	<u>12,458,006</u>
	<u>13,659,061</u>	<u>(1,201,055)</u>	<u>12,458,006</u>
 Liquid resources:			
Deposits included in cash	<u>4,000,000</u>	<u>(2,000,000)</u>	<u>2,000,000</u>
	<u>4,000,000</u>	<u>(2,000,000)</u>	<u>2,000,000</u>
 Debt			
Debts falling due within one year	(400,391)	(72,409)	(472,800)
Debts falling due after one year	<u>(304,380)</u>	<u>-</u>	<u>(304,380)</u>
	<u>(704,771)</u>	<u>(72,409)</u>	<u>(777,180)</u>
 Total	<u>16,954,290</u>	<u>(3,273,464)</u>	<u>13,680,826</u>



**Lindum Group Limited (Registered number: 01236338)**

**Notes to the Consolidated Financial Statements**  
**for the Year Ended 30 November 2012**

**1 ACCOUNTING POLICIES**

**Basis of preparation**

The financial statements have been prepared under the historical cost convention modified to include the revaluation of certain fixed assets and in accordance with applicable accounting standards

**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% on a straight line basis
Plant & machinery	- 10% - 33% on a straight line basis
Motor vehicles	- 12.5% - 25% on a straight line basis

**Lindum Group Limited (Registered number: 01236338)**

**Notes to the Consolidated Financial Statements - continued**  
**for the Year Ended 30 November 2012**

**1 ACCOUNTING POLICIES - continued**

**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.

**Deferred tax**

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax is not recognised when fixed assets are revalued unless, by the balance sheet date, the company has entered into a binding contract to sell the assets and recognised gains and losses are expected to arise on sale or where assets have been sold and it is expected that the taxable gain will be rolled over into a replacement asset.

Deferred tax assets and liabilities are not discounted.

**Investments**

Fixed asset investments are stated at cost less provision for diminution in value.

**Finance and hire purchase contracts**

Assets acquired under finance leases and hire purchase contracts are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce constant periodic rates of change on the net obligations outstanding in each period.

**Operating leases**

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

**Lindum Group Limited (Registered number: 01236338)**

**Notes to the Consolidated Financial Statements - continued**  
**for the Year Ended 30 November 2012**

**1 ACCOUNTING POLICIES - continued**

**Pensions**

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

**2 TURNOVER**

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

**3 STAFF COSTS**

	2012 £	2011 £
Wages and salaries	<u>14,696,093</u>	<u>13,811,916</u>

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

	2012	2011
Directors	6	6
Site based employees	264	246
Office based employees	<u>192</u>	<u>181</u>
	<u>462</u>	<u>433</u>

Staff costs, including directors' remuneration, were as follows

	2012 £	2011 £
Wages and salaries	13,093,378	12,378,183
Social security	1,252,327	1,226,497
Other pension costs	<u>350,388</u>	<u>207,236</u>
	<u>14,696,093</u>	<u>13,811,916</u>

**Lindum Group Limited (Registered number: 01236338)**

**Notes to the Consolidated Financial Statements - continued**  
**for the Year Ended 30 November 2012**

**4 DIRECTORS' EMOLUMENTS**

	2012 £	2011 £
Emoluments	<u>913,824</u>	<u>884,307</u>
Company pension scheme contributions to defined contribution schemes	<u>175,800</u>	<u>130,800</u>

During the year retirement benefits were accruing to 6 directors (2011 - 6) in respect of defined contribution pension schemes

The highest paid director received £206,886 (2011 - £184,627)

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £51,800 (2011 - £21,800)

**5 OPERATING PROFIT**

The operating profit is stated after charging/(crediting)

	2012 £	2011 £
Depreciation - owned assets	1,476,111	1,350,785
Profit on disposal of fixed assets	(173,234)	(86,415)
Plant hire payable	1,204,427	1,398,014
Plant hire receivable	(528,374)	(673,855)
Rent receivable	<u>(1,439,251)</u>	<u>(1,224,949)</u>

**Auditors Remuneration**

	2012 £	2011 £
Fees payable to the group's auditor for the audit of the group's annual accounts	25,000	25,000
Fees payable to the group's auditor and its associates in respect of		
Preparation of statutory financial statements	1,500	450
Other services relating to taxation	-	1,142
Additional provision made for prior auditors cost	<u>-</u>	<u>8,900</u>

Fees payable for the group's auditor noted above include fees in respect of the parent company of £24,000 (2011 £22,700)

**Lindum Group Limited (Registered number: 01236338)**

**Notes to the Consolidated Financial Statements - continued**  
**for the Year Ended 30 November 2012**

**6 INTEREST RECEIVABLE AND SIMILAR INCOME**

	2012	2011
	£	£
Bank interest	198,144	190,570
Related party loan interest	-	30,000
Other interest	41,206	56,557
	<u>239,350</u>	<u>277,127</u>

**7. INTEREST PAYABLE AND SIMILAR CHARGES**

	2012	2011
	£	£
Bank loan interest	5,808	6,229
Hire purchase interest	-	110
Other interest	7,581	15,645
Dividends paid on shares classed as debt	13,697	13,697
	<u>27,086</u>	<u>35,681</u>

**8 EXCEPTIONAL ITEMS**

The company has made funds available for the Employee Benefit Trust to make an allocation of £500 worth of free shares to ALL LINDUM GROUP LTD employees employed by the company on 1<sup>st</sup> November 2012 subject to the rules of the HMRC approved employee share ownership plan. The exceptional cost is based on the HMRC approved value for the shares with the company bearing the full cost of the transaction.

**MABLETHORPE JOINT VENTURE DEVELOPMENT**

Whilst the Mablethorpe Planning Application was eventually approved by ELDC the project remains of negligible value at present due to its complexity, however, it will provide construction work if and when it proceeds. The partnership driving the project forward now includes a major supermarket and we enjoy the support from the local community - for a successful outcome we need ELDC to remain supportive of the local needs of the Mablethorpe community.

**Lindum Group Limited (Registered number: 01236338)**

**Notes to the Consolidated Financial Statements - continued**  
**for the Year Ended 30 November 2012**

**9 TAXATION**

**Analysis of the tax charge**

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

	2012 £	2011 £
Current tax		
UK corporation tax	650,000	800,000
Adjustments in respect of prior periods	<u>(4,243)</u>	<u>-</u>
 Tax on profit on ordinary activities	 <u>645,757</u>	 <u>800,000</u>

UK corporation tax has been charged at 24% (2011 - 26%)

**Factors affecting the tax charge**

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

	2012 £	2011 £
Profit on ordinary activities before tax	<u>2,455,001</u>	<u>2,790,586</u>
 Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 24% (2011 - 26%)	 589,200	 725,552
 Effects of		
Expenses not deductible for tax purposes	11,435	19,280
Depreciation in excess of capital allowances	14,691	76,874
Non taxable income	-	(3,775)
Rate differences due to rate changes during the year	34,674	(18,093)
Adjustment to the tax charge for prior periods	(4,243)	-
Investment write down	-	52,000
Group relief	<u>-</u>	<u>(51,838)</u>
 Current tax charge	 <u>645,757</u>	 <u>800,000</u>

**Lindum Group Limited (Registered number: 01236338)**

**Notes to the Consolidated Financial Statements - continued**  
**for the Year Ended 30 November 2012**

**10 PROFIT OF PARENT COMPANY**

As permitted by Section 408 of the Companies Act 2006, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's profit for the financial year was £1,635,099 (2011 - £1,822,394)

**11 DIVIDENDS**

	2012 £	2011 £
Ordinary shares of £0.10 each		
Final	353,087	447,130
Interim	<u>305,546</u>	<u>331,513</u>
	<u>658,633</u>	<u>778,643</u>

**12 TANGIBLE FIXED ASSETS**

**Group**

	Freehold property £	Plant and machinery £	Motor vehicles £	Totals £
<b>COST OR VALUATION</b>				
At 1 December 2011	8,861,724	5,813,455	3,943,520	18,618,699
Additions	1,804,113	1,299,923	869,481	3,973,517
Disposals	<u>(302,823)</u>	<u>(743,692)</u>	<u>(613,605)</u>	<u>(1,660,120)</u>
At 30 November 2012	<u>10,363,014</u>	<u>6,369,686</u>	<u>4,199,396</u>	<u>20,932,096</u>
<b>DEPRECIATION</b>				
At 1 December 2011	2,793,448	4,408,680	2,416,706	9,618,834
Charge for year	368,455	445,261	662,395	1,476,111
Eliminated on disposal	<u>(77,373)</u>	<u>(716,053)</u>	<u>(604,587)</u>	<u>(1,398,013)</u>
At 30 November 2012	<u>3,084,530</u>	<u>4,137,888</u>	<u>2,474,514</u>	<u>9,696,932</u>
<b>NET BOOK VALUE</b>				
At 30 November 2012	<u>7,278,484</u>	<u>2,231,798</u>	<u>1,724,882</u>	<u>11,235,164</u>
At 30 November 2011	<u>6,068,276</u>	<u>1,404,775</u>	<u>1,526,814</u>	<u>8,999,865</u>

During 2012 the Group completed the £2m investment in new offices and workshops at Peterborough. The Group also invested £162,000 in an extension at our waste recycling facility based at Saxilby Lincoln. In addition, the Group re-roofed our Plant and Joinery workshops, located on the Lindum Business Park, at a cost of £248,000.

**Lindum Group Limited (Registered number: 01236338)**

**Notes to the Consolidated Financial Statements - continued**  
**for the Year Ended 30 November 2012**

**12 TANGIBLE FIXED ASSETS - continued**

Cost or valuation at 30 November 2012 is represented by

	Freehold property £	Plant and machinery £	Motor vehicles £	Totals £
Valuation in 2009	1,845,683	-	-	1,845,683
Cost	<u>8,517,331</u>	<u>6,369,686</u>	<u>4,199,396</u>	<u>19,086,413</u>
	<u>10,363,014</u>	<u>6,369,686</u>	<u>4,199,396</u>	<u>20,932,096</u>

If land and buildings had not been revalued they would have been included at the following historical cost

	2012 £	2011 £
Cost	<u>8,523,338</u>	<u>6,966,040</u>
Aggregate depreciation	<u>(2,367,961)</u>	<u>(2,139,521)</u>
Value of land in freehold land and buildings	<u>6,155,377</u>	<u>4,826,519</u>

**Group**

Land held at 30 November 2012 that has not been depreciated is included at £360,682 (2011 £360,682)

In accordance with Financial Reporting Standard 15 relating to tangible fixed assets, the Group has adopted a policy of revaluing all of its land and buildings on a regular basis to ensure the value shown within the balance sheet is a current value

The Group employs professionally qualified valuers and the directors have taken their advice on a regular basis as to the market values of the land and buildings owned by the Group

At 30 November 2009 a professional valuation was undertaken by the Group valuers of all of the Group's land and buildings

Freehold land and buildings include properties situated on the Group's principal operating site let out to tenants with a carrying value of £1,512,308 (2011 £1,608,329)

The cost of plant and vehicles available for hire amounted to £3,774,317 (2011 - £3,347,047) The accumulated depreciation thereon was £2,663,805 (2011 - £2,552,182)



**Lindum Group Limited (Registered number: 01236338)**  
**Notes to the Consolidated Financial Statements - continued**  
**for the Year Ended 30 November 2012**

**12 TANGIBLE FIXED ASSETS - continued**  
**Company**

	Freehold property £	Plant and machinery £	Motor vehicles £	Totals £
<b>COST</b>				
At 1 December 2011	8,861,724	5,813,455	3,943,520	18,618,699
Additions	1,804,113	1,299,923	869,481	3,973,517
Disposals	<u>(302,823)</u>	<u>(743,692)</u>	<u>(613,605)</u>	<u>(1,660,120)</u>
At 30 November 2012	<u>10,363,014</u>	<u>6,369,686</u>	<u>4,199,396</u>	<u>20,932,096</u>
<b>DEPRECIATION</b>				
At 1 December 2011	2,793,448	4,408,680	2,416,706	9,618,834
Charge for year	368,455	445,261	662,395	1,476,111
Eliminated on disposal	<u>(77,373)</u>	<u>(716,053)</u>	<u>(604,587)</u>	<u>(1,398,013)</u>
At 30 November 2012	<u>3,084,530</u>	<u>4,137,888</u>	<u>2,474,514</u>	<u>9,696,932</u>
<b>NET BOOK VALUE</b>				
At 30 November 2012	<u>7,278,484</u>	<u>2,231,798</u>	<u>1,724,882</u>	<u>11,235,164</u>
At 30 November 2011	<u>6,068,276</u>	<u>1,404,775</u>	<u>1,526,814</u>	<u>8,999,865</u>

**13 FIXED ASSET INVESTMENTS**  
**Group**

	Interest in other participating interests £	Unlisted investments £	Totals £
<b>COST</b>			
At 1 December 2011	1,054,649	133,003	1,187,652
Additions	<u>45,104</u>	<u>45,000</u>	<u>90,104</u>
At 30 November 2012	<u>1,099,753</u>	<u>178,003</u>	<u>1,277,756</u>
<b>PROVISIONS</b>			
At 1 December 2011	205,000	43,500	248,500
Provision for year	<u>-</u>	<u>45,000</u>	<u>45,000</u>
At 30 November 2012	<u>205,000</u>	<u>88,500</u>	<u>293,500</u>
<b>NET BOOK VALUE</b>			
At 30 November 2012	<u>894,753</u>	<u>89,503</u>	<u>984,256</u>
At 30 November 2011	<u>849,649</u>	<u>89,503</u>	<u>939,152</u>

**Lindum Group Limited (Registered number: 01236338)**

**Notes to the Consolidated Financial Statements - continued**  
**for the Year Ended 30 November 2012**

**Company**

	Shares in Group undertakings £	Interest in other participating interests £	Unlisted investments £	Totals £
<b>COST</b>				
At 1 December 2011	660,285	1,054,649	133,003	1,847,937
Additions	-	45,104	45,000	90,104
At 30 November 2012	<u>660,285</u>	<u>1,099,753</u>	<u>178,003</u>	<u>1,938,041</u>
<b>PROVISIONS</b>				
At 1 December 2011	660,183	205,000	43,500	908,683
Provision for year	-	-	45,000	45,000
At 30 November 2012	<u>660,183</u>	<u>205,000</u>	<u>88,500</u>	<u>953,683</u>
<b>NET BOOK VALUE</b>				
At 30 November 2012	<u>102</u>	<u>894,753</u>	<u>89,503</u>	<u>984,358</u>
At 30 November 2011	<u>102</u>	<u>849,649</u>	<u>89,503</u>	<u>939,254</u>

**Participating interests**

The company holds 20% or more of the share capital of the following joint venture companies

Name of company	Activity	Class of shares	Proportion held
Kingswater-Lindum (Lincoln) Limited	Property development	Ordinary shares	30%
E B (Lincoln) Limited	Property development	Ordinary shares	20%
Temple Garth Limited	Property development	Ordinary shares	50%
Rugby Lindum Limited	Property development	Ordinary shares	50%
L B Mablethorpe Limited	Property development	Ordinary shares	50%

All the above companies are registered in England

**Lindum Group Limited (Registered number: 01236338)**

**Notes to the Consolidated Financial Statements - continued**  
**for the Year Ended 30 November 2012**

**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

	Capital and reserves £	Profit/(loss) for the year £
Kingswater-Lindum (Lincoln) Limited	267,769	70,130
E B (Lincoln) Limited	458,216	125,877
Temple Garth Limited	(159,650)	(944)
Rugby Lindum Limited	(315)	(55)
L B Mablethorpe Limited	(399,479)	3,666

**Trading subsidiary undertakings**

Lindum Developments Limited is a 100% owned 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 £91,040 (2011 £87,171) and its total capital and reserves at the year end was £1,031,935 (2011 £940,895).

Doddington Estates Limited is a 100% owned 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 £83,105 (2011 £81,023) and its deficiency on capital and reserves at the year end was £655,018 (2011 £738,123).

**Dormant subsidiary undertakings**

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

Lindum Builders Limited, Lindum Construction Company Limited, Lindum Homes Limited, Lindum Group Joinery Limited, Lindum Group Peterborough Limited, Lindum Group Food Projects Limited, Lindum Group KGM Roofing Limited, Lindum Group Plant Hire and Waste Recovery Limited, Lindum Group Green Technology Limited, Lindum Group Trustees Limited and Elton Wright (1998) Limited

The capital and reserves of these companies are negligible

**Lindum Group Limited (Registered number: 01236338)**

**Notes to the Consolidated Financial Statements - continued**  
**for the Year Ended 30 November 2012**

**14 STOCKS**

	<b>Group</b>		<b>Company</b>	
	2012	2011	2012	2011
	£	£	£	£
Raw materials	27,296	25,671	27,296	25,671
Work-in-progress	4,622,581	6,091,567	4,622,581	6,091,567
Development Properties	8,385,455	7,344,641	3,602,662	3,011,842
	<u>13,035,332</u>	<u>13,461,879</u>	<u>8,252,539</u>	<u>9,129,080</u>

**15 DEBTORS**

	<b>Group</b>		<b>Company</b>	
	2012	2011	2012	2011
	£	£	£	£
Amounts falling due within one year				
Trade debtors	12,379,496	7,048,625	12,153,025	7,259,532
Amounts owed by group undertakings	-	-	4,552,491	4,022,338
Amounts owed by participating interests	-	345,000	-	345,000
Amounts recoverable on contracts	3,715,726	3,801,813	3,715,726	3,801,813
Other debtors	635,562	682,880	635,512	682,880
Prepayments and accrued income	363,647	366,751	362,873	366,751
	<u>17,094,431</u>	<u>12,245,069</u>	<u>21,419,627</u>	<u>16,478,314</u>

Amounts falling due after more than one year

Trade debtors	447,792	708,621	447,792	483,621
Other debtors	100,000	-	100,000	-
	<u>547,792</u>	<u>708,621</u>	<u>547,792</u>	<u>483,621</u>

Aggregate amounts	<u>17,642,223</u>	<u>12,953,690</u>	<u>21,967,419</u>	<u>16,961,935</u>
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**Lindum Group Limited (Registered number: 01236338)**

**Notes to the Consolidated Financial Statements - continued**  
**for the Year Ended 30 November 2012**

**16 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	2012	2011	2012	2011
	£	£	£	£
Bank loans and overdrafts (see note 18)	472,800	400,391	472,800	400,391
Payments on account	2,540,143	2,278,661	2,540,143	2,278,661
Trade creditors	19,659,521	18,162,643	19,659,520	18,115,576
Tax	445,952	547,711	403,952	498,851
Social security and other taxes	1,370,360	900,345	1,365,393	893,332
Other creditors	1,607,741	1,587,269	1,546,672	1,537,253
Accruals and deferred income	<u>2,218,667</u>	<u>2,247,441</u>	<u>2,198,393</u>	<u>2,247,441</u>
	<u>28,315,184</u>	<u>26,124,461</u>	<u>26,186,873</u>	<u>25,971,505</u>

**17 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	2012	2011	2012	2011
	£	£	£	£
Preference shares (see note 18)	<u>304,380</u>	<u>304,380</u>	<u>304,380</u>	<u>304,380</u>

**18 LOANS**

An analysis of the maturity of loans is given below

	<b>Group</b>		<b>Company</b>	
	2012	2011	2012	2011
	£	£	£	£
Amounts falling due within one year or on demand				
Bank loans	<u>472,800</u>	<u>400,391</u>	<u>472,800</u>	<u>400,391</u>
Amounts falling due in more than five years Repayable otherwise than by instalments				
Preference shares	<u>304,380</u>	<u>304,380</u>	<u>304,380</u>	<u>304,380</u>

**Lindum Group Limited (Registered number: 01236338)**

**Notes to the Consolidated Financial Statements - continued**  
**for the Year Ended 30 November 2012**

**18 LOANS - continued**

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 shareholder. 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.

Details of shares shown as liabilities are as follows

Allotted, issued and fully paid		Nominal value	2012 £	2011 £
Number	Class			
304,380	Preference	£1	<u>304,380</u>	<u>304,380</u>

**19 CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid		Nominal value	2012 £	2011 £
Number	Class			
1,719,729	Ordinary	£0.10	<u>171,973</u>	<u>171,973</u>

There is an active market in the shares of Lindum Group Limited with Lindum Group Trustees Limited acting as market maker. During the year 169,248 shares were traded, of which 26,658 were transacted as part of the Save-As-You-Earn Share Saving Scheme. 168 employees participated in the SAYE scheme during 2012. The SAYE scheme is Inland Revenue approved and provides a major (share) benefit to all Lindum employees.

Overall 445 employees were shareholders at the year end. By virtue of shareholdings retained within the Chambers family, the Chairman, Mr D Chambers, can be identified as the ultimate controlling party of the company.

**Lindum Group Limited (Registered number: 01236338)**

**Notes to the Consolidated Financial Statements - continued**  
**for the Year Ended 30 November 2012**

**20 RESERVES**

**Group**

	Profit and loss account £	Share premium £	Revaluation reserve £	Capital redemption reserve £	Totals £
At 1 December 2011	25,199,212	919,284	1,241,754	52,583	27,412,833
Profit for the year	1,809,244				1,809,244
Dividends	(658,633)				(658,633)
Revaluation reserve movement	<u>112,636</u>	<u>-</u>	<u>(112,636)</u>	<u>-</u>	<u>-</u>
At 30 November 2012	<u>26,462,459</u>	<u>919,284</u>	<u>1,129,118</u>	<u>52,583</u>	<u>28,563,444</u>

**Company**

	Profit and loss account £	Share premium £	Revaluation reserve £	Capital redemption reserve £	Totals £
At 1 December 2011	24,996,543	919,284	1,241,754	52,583	27,210,164
Profit for the year	1,635,099				1,635,099
Dividends	(658,633)				(658,633)
Revaluation reserve movement	<u>112,636</u>	<u>-</u>	<u>(112,636)</u>	<u>-</u>	<u>-</u>
At 30 November 2012	<u>26,085,645</u>	<u>919,284</u>	<u>1,129,118</u>	<u>52,583</u>	<u>28,186,630</u>

**21 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 £350,388 (2011 £207,236).

**Lindum Group Limited (Registered number: 01236338)**

**Notes to the Consolidated Financial Statements - continued**  
**for the Year Ended 30 November 2012**

**22 TRANSACTIONS WITH DIRECTORS**

The following loans to directors subsisted during the years ended 30 November 2012 and 30 November 2011

	2012 £	2011 £
<b>K E Damarell</b>		
Balance outstanding at start of year	14,987	14,987
Amounts repaid	-	-
Balance outstanding at end of year	<u>14,987</u>	<u>14,987</u>
<b>S J Gregory</b>		
Balance outstanding at start of year	14,970	14,970
Amounts repaid	-	-
Balance outstanding at end of year	<u>14,970</u>	<u>14,970</u>
<b>M J Papworth</b>		
Balance outstanding at start of year	14,970	14,970
Amounts repaid	-	-
Balance outstanding at end of year	<u>14,970</u>	<u>14,970</u>

All of the above are full-time working directors who own less than 5% of the company's share capital. The loans were made to allow the directors to acquire shares in the company at full market value. There is no fixed repayment date.

Directors purchased goods and services from the company at market value as follows:

D C Chambers £9,692 (2011 £12,397), K E Damarell £3,093 (2011 £3,403), S J Gregory £3,159 (2011 £5,683), H F F Kok £2,058 (2011 £5,579), P N P McSorley £3,692 (2011 £3,506), M J Papworth £138 (2011 £nil)

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

During the period E Chambers purchased goods at market value from the company totalling £460 (2011 £nil) and Lindum Group Limited bought goods and services totalling £2,332 (2011 £nil) from E Chambers. F Chambers also purchased goods at market value from the company totalling £460 (2011 £nil). Both E Chambers and F Chambers are sons of director D Chambers. There were no balances outstanding at the year end.



**Lindum Group Limited (Registered number: 01236338)**

**Notes to the Consolidated Financial Statements - continued**  
**for the Year Ended 30 November 2012**

**23 RELATED PARTY DISCLOSURES**

The company has taken advantage of the exemptions in FRS 8 paragraph 3 (c) not to disclose transactions with subsidiary companies of 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 company made sales of £5,088 (2011 £nil) to Kingswater Lindum (Lincoln) Limited During the year the company made purchases of £85,000 (2011 £nil) from Kingswater Lindum (Lincoln) Limited There were no balances outstanding at either year end

**E B (Lincoln) Limited**

During the year the company received interest of £nil (2011. £30,000) on the loan provided to E B (Lincoln) Limited

This loan is included in investments and totalled £334,880 (2011 £334,880) due from E B (Lincoln) Limited at the year end

**Temple Garth Limited**

During the period the company made sales of £15,996 (2011 £81,533) to Temple Garth Limited

The company also incurred costs on the Temple Garth Limited contract of £25,774 (2011 £nil), undertook work with construction value of £517,930 (2011 £nil) and received £597,000 (2011 £nil) in loan repayments The balance due to the company at the year end was £598,214 (2011 £651,510)

Included in investments is a loan of £385,000 (2011 £385,000) to Temple Garth Limited

**L B Mablethorpe Limited**

During the year the company made sales of £4,772 (2011 £153,842) to L B Mablethorpe Limited The amount outstanding at the year end was £nil (2011 £960)

Included in investments is a loan of £374,749 (2011 £329,593) to L B Mablethorpe Limited A provision of £200,000 (2011 £200,000) has been made against the loan

**Lindum Group Limited (Registered number: 01236338)**

**Notes to the Consolidated Financial Statements - continued**  
**for the Year Ended 30 November 2012**

**23 RELATED PARTY DISCLOSURES- continued**

**Bookminder Limited**

During the period, the company made purchase of £375,000 (2011 £nil) from Bookminder Limited, a company in which D C Chambers, H F F Kok and P McSorley have indirect interests

**24 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

**Group**

	2012 £	2011 £
Profit for the financial year	1,809,244	1,990,586
Dividends	<u>(658,633)</u>	<u>(778,643)</u>
<b>Net addition to shareholders' funds</b>	1,150,611	1,211,943
Opening shareholders' funds	<u>27,584,806</u>	<u>26,372,863</u>
<b>Closing shareholders' funds</b>	<u>28,735,417</u>	<u>27,584,806</u>

**Company**

	2012 £	2011 £
Profit for the financial year	1,635,099	1,822,394
Dividends	<u>(658,633)</u>	<u>(778,643)</u>
<b>Net addition to shareholders' funds</b>	976,466	1,043,751
Opening shareholders' funds	<u>27,382,137</u>	<u>26,338,386</u>
<b>Closing shareholders' funds</b>	<u>28,358,603</u>	<u>27,382,137</u>