

REGISTERED NUMBER: 02951202 (England and Wales)

**ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2014
FOR
K. R. M. CONCRETE LIMITED**

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FOR THE YEAR ENDED 31 MARCH 2014**

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K. R. M. CONCRETE LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2014**

DIRECTORS:

P W Kendall
R C Kendall
N A Kendall

SECRETARY:

R C Kendall

REGISTERED OFFICE:

Kendall's Wharf
Eastern Road
Portsmouth
Hampshire
PO3 5LY

REGISTERED NUMBER:

02951202 (England and Wales)

AUDITORS:

Harrison Black Limited
Statutory Auditor
Pyle House
136/137 Pyle Street
Newport
Isle of Wight
PO30 1JW

BANKERS:

Lloyds TSB Plc
4 West Street
Havant
Hampshire
PO9 1PE

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2014**

The directors present their strategic report for the year ended 31 March 2014.

OVERVIEW

The company has made significant progress during the last financial year, with regard to Ready Mixed Concrete sales. Recently established sales outlets in this category have enabled the throughput to increase in volume and subsequent profitability.

The establishing of these sales outlets in the preceding year was significant and coincided with a general upturn in business following an overall recovery in the UK economy.

OBJECTIVES

The company's overall objective, as an independent operator, is to maintain its high reputation of customer satisfaction, providing a quality product at competitive prices, delivering on time with the focus on ensuring repeat business.

The company's approach to remaining a successful business is to embrace established Quality Systems in conjunction with recognised Health and Safety processes which ensure the safety of its employees and confidence within the customer base with respect to the products and services available.

Matters of environmental importance are also high on the company's agenda as it has a vision of being a prominent player in enhancing local and regional policies established to improve modern living for all.

PERFORMANCE

The company's turnover increased by 33% in the last financial year, providing an increase in overall net profit in excess of 300% year on year, being now over 5% of turnover. This was achieved by maintaining fixed overheads at previous levels whilst controlling increases in sales in conjunction with careful control of costs of production and procurement of raw materials and services, including delivery costs.

The company's management structure is such that the upturn in business has been well controlled with the use of sophisticated operating and financial systems which provide measured data and information enabling day to day and longer term decisions to be made.

The company has maintained suitable levels of staff in all departments to ensure smooth running of performance and also employment satisfaction.

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2014**

FUTURE OUTLOOK AND RISK MANAGEMENT

The directors view the future as being very bright with activity levels being maintained for a considerable time to come, therefore the expectation for the ensuing year is continued profitability.

Further sales outlets will be considered accordingly, but always with availability of resources being uppermost on the agenda when making decisions for the future. Risk management is therefore important, giving consideration at all times to availability of supplies, staffing levels, asset structure and funding criteria.

ON BEHALF OF THE BOARD:

.....*R C Kendall*.....
R C Kendall - Director

Date:21 / 10 / 2014.....

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2014**

The directors present their report with the accounts of the company for the year ended 31 March 2014.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of concrete and cement suppliers.

DIVIDENDS

An interim dividend of £23.50 per share was paid on 31 March 2014. The directors recommend that no final dividend be paid.

The total distribution of dividends for the year ended 31 March 2014 will be £470,000.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2013 to the date of this report.

P W Kendall
R C Kendall
N A Kendall

Other changes in directors holding office are as follows:

J W Kendall - resigned 1 May 2013

The company is a wholly owned subsidiary of Kendall Bros (Portsmouth) Limited and the directors have substantial interests in the ordinary share capital.

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 of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

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

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2014**

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

ON BEHALF OF THE BOARD:


.....
R C Kendall - Director

Date: 21 / 10 / 2014

**REPORT OF THE INDEPENDENT AUDITORS TO
K. R. M. CONCRETE LIMITED
UNDER SECTION 449 OF THE COMPANIES ACT 2006**

We have examined the abbreviated accounts set out on pages seven to fourteen, together with the full financial statements of K. R. M. Concrete Limited for the year ended 31 March 2014 prepared under Section 396 of the Companies Act 2006.

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section.



A S Garner BA(Hons) FCA (Senior Statutory Auditor)
for and on behalf of Harrison Black Limited
Statutory Auditor
Pyle House
136/137 Pyle Street
Newport
Isle of Wight
PO30 1JW

Date: 22nd October 2014

K. R. M. CONCRETE LIMITED (REGISTERED NUMBER: 02951202)**ABBREVIATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2014**

	Notes	2014 £	2013 £
TURNOVER		11,720,319	8,758,841
Cost of sales		(8,645,703)	(6,587,127)
		3,074,616	2,171,714
Distribution costs		1,810,812	1,419,175
Administrative expenses		625,246	559,062
		2,436,058	1,978,237
OPERATING PROFIT	3	638,558	193,477
Interest payable and similar charges	4	19,211	-
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		619,347	193,477
Tax on profit on ordinary activities	5	141,470	40,869
PROFIT FOR THE FINANCIAL YEAR		477,877	152,608

CONTINUING OPERATIONS

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

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current year or previous year.

The notes form part of these abbreviated accounts

**ABBREVIATED BALANCE SHEET
31 MARCH 2014**

	Notes	2014 £	2013 £
CURRENT ASSETS			
Stocks	7	30,741	35,442
Debtors	8	2,395,838	2,112,748
Cash at bank and in hand		396,445	357,748
		<u>2,823,024</u>	<u>2,505,938</u>
CREDITORS			
Amounts falling due within one year	9	2,761,236	2,452,027
NET CURRENT ASSETS		<u>61,788</u>	<u>53,911</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>61,788</u>	<u>53,911</u>
CAPITAL AND RESERVES			
Called up share capital	12	20,000	20,000
Profit and loss account	13	41,788	33,911
SHAREHOLDERS' FUNDS	15	<u>61,788</u>	<u>53,911</u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to medium-sized companies.

The financial statements were approved by the Board of Directors on21 / 10 / 2014..... and were signed on its behalf by:


.....
N A Kendall - Director


.....
R C Kendall - Director

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2014**

	Notes	2014 £	2013 £
Net cash inflow from operating activities	1	568,777	420,492
Returns on investments and servicing of finance	2	(19,211)	-
Taxation		(40,869)	(57,549)
Equity dividends paid		(470,000)	(150,000)
Increase in cash in the period		<u>38,697</u>	<u>212,943</u>
Reconciliation of net cash flow to movement in net funds	3		
Increase in cash in the period		<u>38,697</u>	<u>212,943</u>
Change in net funds resulting from cash flows		<u>38,697</u>	<u>212,943</u>
Movement in net funds in the period		<u>38,697</u>	<u>212,943</u>
Net funds at 1 April		<u>357,748</u>	<u>144,805</u>
Net funds at 31 March		<u>396,445</u>	<u>357,748</u>

The notes form part of these abbreviated accounts

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2014**

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

	2014	2013
	£	£
Operating profit	638,558	193,477
Decrease in stocks	4,701	22,441
Increase in debtors	(283,090)	(542,450)
Increase in creditors	208,608	747,024
Net cash inflow from operating activities	<u>568,777</u>	<u>420,492</u>

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

	2014	2013
	£	£
Returns on investments and servicing of finance		
Finance costs	(19,211)	-
Net cash outflow for returns on investments and servicing of finance	<u>(19,211)</u>	<u>-</u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.13	Cash flow	At
	£	£	31.3.14
			£
Net cash:			
Cash at bank and in hand	357,748	38,697	396,445
	<u>357,748</u>	<u>38,697</u>	<u>396,445</u>
Total	<u>357,748</u>	<u>38,697</u>	<u>396,445</u>

The notes form part of these abbreviated accounts

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2014**

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

Related party exemption

As the company is a wholly owned subsidiary of Kendall Bros (Portsmouth) Limited, the company has taken advantage of the exemption contained in Financial Reporting Standard 8 and has therefore not disclosed transactions or balances with entities which form part of the group. The consolidated financial statements of Kendall Bros (Portsmouth) Limited, within which this company is included, can be obtained from the address given in note 14.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax and less trade discounts.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred tax

Deferred tax is recognised in respect of all material timing differences that have originated but not reversed at the balance sheet date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements.

Hire purchase and leasing commitments

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

2. STAFF COSTS

	2014	2013
	£	£
Wages and salaries	877,109	819,331
Social security costs	85,405	80,631
	<u>962,514</u>	<u>899,962</u>

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

	2014	2013
Transport	24	21
Wharf	3	5
Administration	3	4
	<u>30</u>	<u>30</u>

**NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 31 MARCH 2014**

3. OPERATING PROFIT

The operating profit is stated after charging:

	2014	2013
	£	£
Hire of plant and machinery	246,567	237,405
Other operating leases	55,975	59,250
Auditors' remuneration	2,900	2,750
Auditors' remuneration for non audit work	1,500	1,500
	<u> </u>	<u> </u>
Directors' remuneration	<u> </u>	<u> </u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2014	2013
	£	£
Finance charges	19,211	-
	<u> </u>	<u> </u>

5. TAXATION

Analysis of the tax charge

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

	2014	2013
	£	£
Current tax:		
UK corporation tax	141,470	40,869
	<u> </u>	<u> </u>
Tax on profit on ordinary activities	141,470	40,869
	<u> </u>	<u> </u>

Factors affecting the tax charge

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

	2014	2013
	£	£
Profit on ordinary activities before tax	619,347	193,477
	<u> </u>	<u> </u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 23% (2013 - 24%)	142,450	46,434
Effects of:		
Marginal relief for small companies	(980)	(5,565)
	<u> </u>	<u> </u>
Current tax charge	141,470	40,869
	<u> </u>	<u> </u>

**NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 31 MARCH 2014**

6. DIVIDENDS

	2014	2013
	£	£
Ordinary shares of £1 each		
Interim	470,000	150,000

7. STOCKS

	2014	2013
	£	£
Raw materials	30,741	35,442

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014	2013
	£	£
Trade debtors	2,391,952	2,006,345
Prepayments and accrued income	3,886	106,403
	2,395,838	2,112,748

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014	2013
	£	£
Trade creditors	901,423	865,848
Amounts owed to group undertakings	1,531,676	1,364,115
Corporation tax	141,470	40,869
Social security and other taxes	33,325	30,043
VAT	82,465	95,345
Other creditors	27,946	22,398
Accruals and deferred income	42,931	33,409
	2,761,236	2,452,027

10. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

	Land and buildings	
	2014	2013
	£	£
Expiring:		
Between one and five years	24,250	24,250
In more than five years	31,500	31,500
	55,750	55,750

**NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 31 MARCH 2014**

11. SECURED DEBTS

There is a fixed and floating charge over all the company's assets in support of invoice discounting and loans / overdrafts owed by Kendall Bros (Portsmouth) Limited.

12. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2014 £	2013 £
20,000	Ordinary	£1	<u>20,000</u>	<u>20,000</u>

13. RESERVES

	Profit and loss account £
At 1 April 2013	33,911
Profit for the year	477,877
Dividends	<u>(470,000)</u>
At 31 March 2014	<u>41,788</u>

14. ULTIMATE CONTROLLING PARTY

The company is a wholly owned subsidiary undertaking of Kendall Bros (Portsmouth) Limited, which is the ultimate parent company. The largest group in which the results of the company are consolidated is that headed by Kendall Bros (Portsmouth) Limited, whose financial statements may be obtained from Kendall's Wharf, Eastern Road, Portsmouth, Hampshire, PO3 5LY.

15. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2014 £	2013 £
Profit for the financial year	477,877	152,608
Dividends	<u>(470,000)</u>	<u>(150,000)</u>
Net addition to shareholders' funds	7,877	2,608
Opening shareholders' funds	<u>53,911</u>	<u>51,303</u>
Closing shareholders' funds	<u>61,788</u>	<u>53,911</u>