

**STRATEGIC REPORT, REPORT OF THE DIRECTOR AND
FINANCIAL STATEMENTS
FOR THE PERIOD
1ST APRIL 2021 TO 30TH SEPTEMBER 2022
FOR
GEORGE KILLOUGHERY LIMITED**

ESW Limited
Chartered Accountants
& Registered Auditors
162-164 High Street
Rayleigh
Essex
SS6 7BS

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE PERIOD 1ST APRIL 2021 TO 30TH SEPTEMBER 2022**

	Page
Company Information	1
Strategic Report	2
Report of the Director	3
Report of the Independent Auditors	5
Income Statement	8
Other Comprehensive Income	9
Balance Sheet	10
Statement of Changes in Equity	11
Notes to the Financial Statements	12

GEORGE KILLOUGHERY LIMITED
COMPANY INFORMATION
FOR THE PERIOD 1ST APRIL 2021 TO 30TH SEPTEMBER 2022

DIRECTOR: J Killoughery

SECRETARY: J Killoughery

REGISTERED OFFICE: 43a Willow Lane
Mitcham
Surrey
CR4 4NA

REGISTERED NUMBER: 00849646 (England and Wales)

AUDITORS: ESW Limited
Chartered Accountants
& Registered Auditors
162-164 High Street
Rayleigh
Essex
SS6 7BS

**STRATEGIC REPORT
FOR THE PERIOD 1ST APRIL 2021 TO 30TH SEPTEMBER 2022**

The director presents his strategic report for the period 1st April 2021 to 30th September 2022.

REVIEW OF BUSINESS

We consider that our key financial performance indicators are those that communicate the financial performance and strength of the company as a whole, these being turnover, gross profit margin and liquidity.

For the purposes of this review we have made comparison to the prior year based on a pro-rata basis, by grossing up prior year figures from 12 to 18 months.

As noted in our prior years review, the market remained very challenging, regard having to be made to general major national economic considerations including inflation.

In light of the prevailing conditions, the company approach was one of adopting aggressive pricing policies, in an attempt to maintain market share, whilst waiting for a better economic atmosphere, which would then enable us to capitalise on the results of this approach.

The results of the above policy can be seen from the increase in gross profit by £420k during the period. Which arose from the resultant increase in turnover which on a pro-rata basis, exceeded £3m, an increase of over 32%.

The net results of the business were only marginally affected by bad debt considerations, despite the number of insolvencies occurring in the market. The net profits were affected by a £587k loss on disposal of fixed assets, arising from the necessity to update our commercial vehicles in order to be ULEZ compliant for the future. Despite the influence of the above factors net profits still exceeded those of the prior year on a pro-rata basis.

In regard to liquidity, the company managed to increase its' net current asset position by some 16%

The company intends to carry on trading into next year using the same policies and will be targeting an increase in the gross profit percentages.

PRINCIPAL RISKS AND UNCERTAINTIES

The performance of the business is linked to the overall state of the economy but in particular to the activities within the sectors of the market in which we operate. As well as economic risks the waste industry has additional environmental legislative and compliance risks. We try to minimise these risks by employing highly skilled management, by training and by engaging specialist consultants so that we keep up with statutory regulations and comply with the conditions of our operating licences and permits at all times. Landfill charges and fuel prices are monitored on a weekly basis, thus ensuring that operating increases therein are recognised at an early state.

ON BEHALF OF THE BOARD:

J Killoughery - Director

8th September 2023

**REPORT OF THE DIRECTOR
FOR THE PERIOD 1ST APRIL 2021 TO 30TH SEPTEMBER 2022**

The director presents his report with the financial statements of the company for the period 1st April 2021 to 30th September 2022.

PRINCIPAL ACTIVITY

The principal activities of the company continued to be that of building and civil engineering contractors, plant hire, haulage and waste management.

DIVIDENDS

An interim dividend of £75 per share was paid on 30th September 2022. The director recommends that no final dividend be paid.

The total distribution of dividends for the period ended 30th September 2022 will be £ 1,500,000 .

DIRECTOR

J Killoughery held office during the whole of the period from 1st April 2021 to the date of this report.

FINANCIAL INSTRUMENTS

Financial risk management

The company's operations expose it to a variety of financial risks that include the effect of changes in liquidity risk and interest rate risk. The company has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the company by monitoring levels of debt finance and the related finance costs.

Given the size of the company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the board of directors are implemented by the company's finance department.

Liquidity risk

The company actively maintains a mixture of long-term and short-term debt finance that is designed to ensure the company has sufficient available funds for operations and planned extensions.

Interest rate cash flow risk

The company has interest bearing liabilities.

Credit risk

The company has implemented policies that require appropriate credit checks on potential customers before sales are made. The amount of exposure to individual customers is subject to a limit, which is reassessed regularly by the board.

Price risk

The company is exposed to commodity price risk as a result of its operations. However, given the size of the company's operations, the costs of managing exposure to commodity price risk exceed any potential benefits. The directors will revisit the appropriateness of this policy should the company's operations change in size or nature.

POLITICAL DONATIONS AND EXPENDITURE

Donations paid during the year amounted to £10,102, none of which related to political organisations.

EMPLOYMENT OF DISABLED PERSONS

The company continues its policy regarding the employment of disabled persons and fair consideration is given to applications for employment by disabled persons having regard to their particular aptitudes and abilities.

HEALTH AND SAFETY AT WORK

Our yard managers are responsible for the health, safety and welfare of employees. We also continue to support the health and safety policies of our customers and the industry generally.

EMPLOYEE INVOLVEMENT

Our workforce are our most important and valuable asset. They operate at the heart of our operations and the forefront of our activities and developments on a day to day basis. In addition regular meetings are held to discuss activity and performance and opportunity is given for management to be questioned on all areas that affect our employees. We encourage an open door policy of involvement and close cooperation.

**REPORT OF THE DIRECTOR
FOR THE PERIOD 1ST APRIL 2021 TO 30TH SEPTEMBER 2022**

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Strategic Report, the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is 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 director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the director is 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 he 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:

J Killoughery - Director

8th September 2023

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF GEORGE KILLOUGHERY LIMITED

Opinion

We have audited the financial statements of George Killoughery Limited (the 'company') for the period ended 30th September 2022 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and 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 company's affairs as at 30th September 2022 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the director with respect to going concern are described in the relevant sections of this report.

Other information

The director is responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Director, 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 Strategic Report and the Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Director have been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF GEORGE KILLOUGHERY LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Director.

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

Responsibilities of director

As explained more fully in the Statement of Director's Responsibilities set out on page four, the director is 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 director determines 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 director is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the director either intends to liquidate the company or to cease operations, or has 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The company is subject to numerous laws and regulations that could reasonably be expected to have a material effect on the financial statements. From our general commercial experience and discussion with management, we identified the following laws and regulations; waste carrier licences, environmental regulations, employment laws and regulations, health and safety, employment taxes, financial reporting and distributable profits.

Our audit procedures to address potential fraud and non-compliance with laws and regulations included:

- Enquiry of management regarding compliance with relevant laws and regulations, and any litigation or claims
- Review of legal correspondence and documentation
- Performance of analytical review to identify unexpected account movements and investigation of variances
- Assessment of potential management override by review of journals and unusual accounting entries
- Inspection of third-party supporting documentation
- Identification and review of transactions with related parties
- Review of year end cut-off and after date transactions
- Reconciliation of intercompany balances

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
GEORGE KILLOUGHERY LIMITED**

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.

Mr S Cracknell FCA (Senior Statutory Auditor)
for and on behalf of ESW Limited
Chartered Accountants
& Registered Auditors
162-164 High Street
Rayleigh
Essex
SS6 7BS

8th September 2023

GEORGE KILLOUGHERY LIMITED (REGISTERED NUMBER: 00849646)

**INCOME STATEMENT
FOR THE PERIOD 1ST APRIL 2021 TO 30TH SEPTEMBER 2022**

	Notes	Period 1.4.21 to 30.9.22 £	Year Ended 31.3.21 £
TURNOVER	3	18,433,158	10,186,758
Cost of sales		<u>(12,804,061)</u>	<u>(6,714,759)</u>
GROSS PROFIT		5,629,097	3,471,999
Administrative expenses		<u>(3,593,794)</u>	<u>(2,100,988)</u>
OPERATING PROFIT	5	2,035,303	1,371,011
Interest payable and similar expenses	6	<u>(57,359)</u>	<u>(42,738)</u>
PROFIT BEFORE TAXATION		1,977,944	1,328,273
Tax on profit	7	<u>(599,455)</u>	<u>(252,369)</u>
PROFIT FOR THE FINANCIAL PERIOD		<u><u>1,378,489</u></u>	<u><u>1,075,904</u></u>

The notes form part of these financial statements

GEORGE KILLOUGHERY LIMITED (REGISTERED NUMBER: 00849646)

**OTHER COMPREHENSIVE INCOME
FOR THE PERIOD 1ST APRIL 2021 TO 30TH SEPTEMBER 2022**

	Notes	Period 1.4.21 to 30.9.22 £	Year Ended 31.3.21 £
PROFIT FOR THE PERIOD		1,378,489	1,075,904
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME		-	-
FOR THE PERIOD		<u>1,378,489</u>	<u>1,075,904</u>

The notes form part of these financial statements

GEORGE KILLOUGHERY LIMITED (REGISTERED NUMBER: 00849646)

**BALANCE SHEET
30TH SEPTEMBER 2022**

	Notes	2022 £	2021 £
FIXED ASSETS			
Tangible assets	9	6,666,230	5,562,303
CURRENT ASSETS			
Stocks	10	57,500	47,860
Debtors	11	7,914,743	6,908,927
Cash at bank		438,536	930,945
		<u>8,410,779</u>	<u>7,887,732</u>
CREDITORS			
Amounts falling due within one year	12	<u>(2,265,301)</u>	<u>(2,596,893)</u>
NET CURRENT ASSETS		<u>6,145,478</u>	<u>5,290,839</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		12,811,708	10,853,142
CREDITORS			
Amounts falling due after more than one year	13	(1,883,872)	(403,250)
PROVISIONS FOR LIABILITIES	16	<u>(3,075,345)</u>	<u>(2,475,890)</u>
NET ASSETS		<u>7,852,491</u>	<u>7,974,002</u>
CAPITAL AND RESERVES			
Called up share capital	17	20,000	20,000
Share premium	18	2,590,000	2,590,000
Retained earnings	18	<u>5,242,491</u>	<u>5,364,002</u>
SHAREHOLDERS' FUNDS		<u>7,852,491</u>	<u>7,974,002</u>

The financial statements were approved by the director and authorised for issue on 8th September 2023 and were signed by:

J Killoughery - Director

GEORGE KILLOUGHERY LIMITED (REGISTERED NUMBER: 00849646)

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD 1ST APRIL 2021 TO 30TH SEPTEMBER 2022**

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
Balance at 1st April 2020	20,000	5,788,098	2,590,000	8,398,098
Changes in equity				
Dividends	-	(1,500,000)	-	(1,500,000)
Total comprehensive income	-	1,075,904	-	1,075,904
Balance at 31st March 2021	<u>20,000</u>	<u>5,364,002</u>	<u>2,590,000</u>	<u>7,974,002</u>
Changes in equity				
Dividends	-	(1,500,000)	-	(1,500,000)
Total comprehensive income	-	1,378,489	-	1,378,489
Balance at 30th September 2022	<u><u>20,000</u></u>	<u><u>5,242,491</u></u>	<u><u>2,590,000</u></u>	<u><u>7,852,491</u></u>

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 1ST APRIL 2021 TO 30TH SEPTEMBER 2022

1. **STATUTORY INFORMATION**

George Killoughery 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 the Company Information page.

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.

Financial Reporting Standard 102 - reduced disclosure exemptions

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position' - Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' - Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' - Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures' - Compensation for key management personnel.

Turnover

Turnover represents the total invoice value, excluding value added tax, from contract income, plant hire, haulage and waste management during the year.

Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows

Plant and machinery	-	12.5% reducing balance
Fixtures, fittings and equipment	-	25% reducing balance
Motor vehicles	-	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit and loss.

Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Stocks

Stocks of raw materials, consumables, recycled aggregates and land for development are valued at the lower of cost and net realisable value.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1ST APRIL 2021 TO 30TH SEPTEMBER 2022

2. ACCOUNTING POLICIES - continued

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit and loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors and bank loans, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

Equity instruments

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1ST APRIL 2021 TO 30TH SEPTEMBER 2022

2. ACCOUNTING POLICIES - continued

Taxation

Taxation for the period comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

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.

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 period 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.

Leasing and hire purchase commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

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

Pensions

The pension costs charged in the financial statements represent the contributions paid by the company during the period.

3. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

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

	Period 1.4.21 to 30.9.22 £	Year Ended 31.3.21 £
Rendering of services	18,433,158	10,186,758
	<u>18,433,158</u>	<u>10,186,758</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1ST APRIL 2021 TO 30TH SEPTEMBER 2022

3. **TURNOVER - continued**

An analysis of turnover by geographical market is given below:

	Period 1.4.21 to 30.9.22 £	Year Ended 31.3.21 £
United Kingdom	18,433,158	10,186,758
	<u>18,433,158</u>	<u>10,186,758</u>

4. **EMPLOYEES AND DIRECTORS**

	Period 1.4.21 to 30.9.22 £	Year Ended 31.3.21 £
Wages and salaries	1,550,163	1,105,889
Social security costs	106,198	61,948
Other pension costs	23,619	12,775
	<u>1,679,980</u>	<u>1,180,612</u>

The average number of employees during the period was as follows:

	Period 1.4.21 to 30.9.22	Year Ended 31.3.21
Directors	1	2
Direct labour	19	22
Administration	<u>2</u>	<u>2</u>
	<u>22</u>	<u>26</u>

	Period 1.4.21 to 30.9.22 £	Year Ended 31.3.21 £
Directors' remuneration	<u>-</u>	<u>-</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>1</u>	<u>1</u>
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NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1ST APRIL 2021 TO 30TH SEPTEMBER 2022

5. OPERATING PROFIT

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

	Period 1.4.21 to 30.9.22 £	Year Ended 31.3.21 £
Hire of plant and machinery	505,998	132,174
Depreciation - owned assets	1,196,664	787,106
Loss on disposal of fixed assets	587,811	265,975
Auditors' remuneration	14,000	14,000
Auditors' remuneration for non audit work	2,500	2,500
Government grants and furlough claims	<u>-</u>	<u>(112,162)</u>

Depreciation of tangible fixed assets includes £559,765 (2021 - £348,174) relating to assets held under finance lease agreements.

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	Period 1.4.21 to 30.9.22 £	Year Ended 31.3.21 £
Hire purchase interest and finance lease charges	<u>57,359</u>	<u>42,738</u>

7. TAXATION

Analysis of the tax charge

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

	Period 1.4.21 to 30.9.22 £	Year Ended 31.3.21 £
Current tax:		
UK corporation tax	-	203,025
Over provision prior year	-	(573)
Total current tax	-	202,452
Deferred tax	599,455	49,917
Tax on profit	<u>599,455</u>	<u>252,369</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1ST APRIL 2021 TO 30TH SEPTEMBER 2022

7. **TAXATION - continued**

Reconciliation of total tax charge included in profit and loss

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

	Period 1.4.21 to 30.9.22 £	Year Ended 31.3.21 £
Profit before tax	<u>1,977,944</u>	<u>1,328,273</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%)	375,809	252,372
Effects of:		
Expenses not deductible for tax purposes	2,716	572
Capital allowances in excess of depreciation	(712,475)	(100,454)
Adjustments to tax charge in respect of previous periods	-	(573)
Loss on disposal of fixed assets	111,684	50,535
Deferred tax	599,455	49,917
Tax losses surrendered to group	79,744	-
Tax losses carried forward	<u>142,522</u>	<u>-</u>
Total tax charge	<u>599,455</u>	<u>252,369</u>

8. **DIVIDENDS**

	Period 1.4.21 to 30.9.22 £	Year Ended 31.3.21 £
Ordinary shares of £1 each		
Interim	<u>1,500,000</u>	<u>1,500,000</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1ST APRIL 2021 TO 30TH SEPTEMBER 2022

9. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1st April 2021	9,773,099	83,605	198,615	10,055,319
Additions	3,704,333	27,864	92,341	3,824,538
Disposals	(3,735,102)	-	(45,770)	(3,780,872)
Reclassification/transfer	50,703	-	(50,703)	-
At 30th September 2022	9,793,033	111,469	194,483	10,098,985
DEPRECIATION				
At 1st April 2021	4,373,142	32,514	87,360	4,493,016
Charge for period	1,120,292	24,154	52,218	1,196,664
Eliminated on disposal	(2,230,784)	-	(26,141)	(2,256,925)
Reclassification/transfer	8,370	-	(8,370)	-
At 30th September 2022	3,271,020	56,668	105,067	3,432,755
NET BOOK VALUE				
At 30th September 2022	6,522,013	54,801	89,416	6,666,230
At 31st March 2021	5,399,957	51,091	111,255	5,562,303

Included above are assets held under hire purchase contracts and finance leases whose net book value at the balance sheet date amounted to £4,171,172 (2021 - £2,654,404).

10. STOCKS

	2022 £	2021 £
Consumables	<u>57,500</u>	<u>47,860</u>

11. DEBTORS

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	2,871,313	2,711,574
Amounts owed by group undertakings	2,587,109	2,172,437
Other debtors	362,453	340
Prepayments	393,868	324,576
	<u>6,214,743</u>	<u>5,208,927</u>
Amounts falling due after more than one year:		
Other debtors (See note 16)	<u>1,700,000</u>	<u>1,700,000</u>
Aggregate amounts	<u>7,914,743</u>	<u>6,908,927</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1ST APRIL 2021 TO 30TH SEPTEMBER 2022

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Hire purchase contracts (see note 14)	1,022,675	690,300
Trade creditors	1,057,865	1,541,527
Tax	-	231,494
Social security and other taxes	25,737	52,585
Other creditors	3,222	2,107
Accruals and deferred income	155,802	78,880
	<u>2,265,301</u>	<u>2,596,893</u>

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

	2022	2021
	£	£
Hire purchase contracts (see note 14)	<u>1,883,872</u>	<u>403,250</u>

14. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2022	2021
	£	£
Gross obligations repayable:		
Within one year	1,082,429	723,883
Between one and five years	<u>2,020,833</u>	<u>415,995</u>
	<u>3,103,262</u>	<u>1,139,878</u>
Finance charges repayable:		
Within one year	59,754	33,583
Between one and five years	<u>136,961</u>	<u>12,745</u>
	<u>196,715</u>	<u>46,328</u>
Net obligations repayable:		
Within one year	1,022,675	690,300
Between one and five years	<u>1,883,872</u>	<u>403,250</u>
	<u>2,906,547</u>	<u>1,093,550</u>
	Non-cancellable operating leases	
	2022	2021
	£	£
Within one year	220,000	220,000
Between one and five years	<u>550,000</u>	<u>880,000</u>
	<u>770,000</u>	<u>1,100,000</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1ST APRIL 2021 TO 30TH SEPTEMBER 2022

15. SECURED DEBTS

The following secured debts are included within creditors:

	2022	2021
	£	£
Hire purchase contracts	<u>2,906,547</u>	<u>1,093,550</u>

The company's bank facilities are secured by a debenture over the whole of the group's assets, and cross guarantees by all of the group members.

The company's invoice discounting facility is secured by a fixed and floating charge over the trade debts to which it relates.

Hire purchase agreements are secured on the assets to which they relate.

16. PROVISIONS FOR LIABILITIES

	2022	2021
	£	£
Deferred tax	1,375,345	775,890
Other provisions	<u>1,700,000</u>	<u>1,700,000</u>
	<u>3,075,345</u>	<u>2,475,890</u>

	Deferred tax
	£
Balance at 1st April 2021	775,890
Accelerated capital allowances	<u>599,455</u>
Balance at 30th September 2022	<u>1,375,345</u>

In March 2011 the company entered into a lease in respect of land situated at Purfleet, Essex.

As part of the agreement, the company paid a security deposit of £1,700,000 to the landlord relating to the estimated costs of clearing the company's materials from the site comprising aggregates, waste, building materials etc. The deposit will be released upon the company vacating the site and removing the materials, and is included within Other Debtors falling due after more than one year.

In recognition of the company's future commitment for costs to clear the site, a similar provision of £1,700,000 is included within Provisions for Liabilities.

17. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2022	2021
Number:	Class:	Nominal value:	£	£
20,000	Ordinary	£1	<u>20,000</u>	<u>20,000</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1ST APRIL 2021 TO 30TH SEPTEMBER 2022

18. RESERVES

	Retained earnings £	Share premium £	Totals £
At 1st April 2021	5,364,002	2,590,000	7,954,002
Profit for the period	1,378,489		1,378,489
Dividends	(1,500,000)		(1,500,000)
At 30th September 2022	<u>5,242,491</u>	<u>2,590,000</u>	<u>7,832,491</u>

19. PENSION COMMITMENTS

The company operates a defined contribution pension scheme in respect of employees, including the directors. The scheme and its assets are held by independent managers. The pension charge represents contributions paid by the company during the period and amounted to £23,613 (2021 : £12,775). At the balance sheet date £3,222 (2021 : £Nil) was owed to the fund.

20. PARENT COMPANY

The company's immediate and ultimate parent undertaking is Killoughery Holdings Limited, a company incorporated in England and Wales which is the smallest and largest group for which consolidated accounts including George Killoughery Limited are prepared. The consolidated accounts of Killoughery Holdings Limited are available from its registered office 43a Willow Lane, Mitcham, Surrey, England, CR4 4NA.

21. CONTINGENT LIABILITIES

The company has given a guarantee against the bank advance to another group member.

22. RELATED PARTY DISCLOSURES

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.

During the year the company was related to The George Killoughery Limited Executive Retirement Benefits Scheme, Tearman Limited, Tearman LLP, Waterwise Limited, G.J. Killoughery Limited and Agricultural Holdings Limited by virtue of all being under the control of the Killoughery family.

It is also related to Killoughery Holdings Limited and Killoughery Properties Limited by virtue of being group companies.

During the period the company undertook the following transactions with its related undertakings.

Company	Nature of transaction	2022	2021
Waterwise Limited	Sales	31,919	12,662
Waterwise Limited	Purchases	720,000	480,000
Tearman Limited	Sales	4,450	64,390
Agricultural Holdings Limited	Sales	1,450	3,525
G.J. Killoughery Limited	Sales	906,723	399,042
G.J. Killoughery Limited	Purchase of assets	-	57,272
G.J. Killoughery Limited	Purchases	<u>1,867,433</u>	<u>1,056,667</u>

There were no outstanding balances with related undertakings at the year end.

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