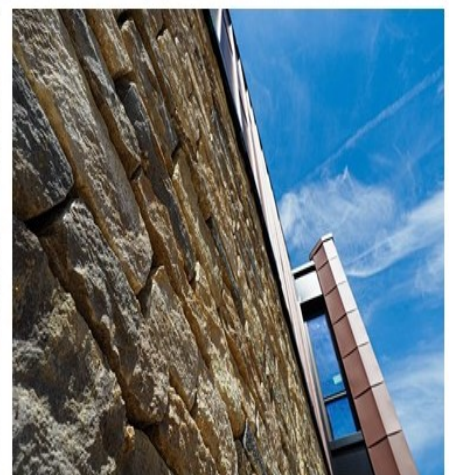
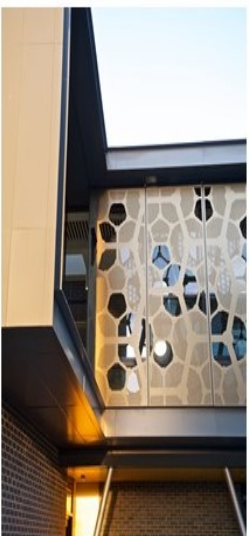




**Amiri**

**2018 Overview**







# Overview

## Chairman's statement

### Solid performance and strong future workload



It is a pleasure to introduce the Report & Accounts of Amiri Construction Ltd. The business has delivered a solid performance during the year, with revenue of £40.2m, and a profit before tax of £0.9m.

The year saw the completion of our product diversification strategy initiated in 2017, with the introduction of Amiri Special Works. This new operating division specialises in more complex projects, often involving refurbishment and extension in live environments. This division complements Amiri Interiors and Amiri Construction, allowing the business to offer the market a complete range of construction services.

The business also concluded a branding review, bringing a more modern look and feel to the business.

As at 31 March 2019, Amiri Construction had secured 67% of budgeted turnover, placing the business in a strong position going forward.

With 2018's work done we now move on to our plans for the future of the business for which I am delighted to be able to play my part in bringing Amiri's outstanding quality & culture to more clients and communities in the years ahead.

#### Highlights

Revenue  
£40.2 m

Gross profit  
£3.9 m

Gross margin  
9.7%

Cash  
£4.2 m

# Business model ———

Amiri Construction Ltd is a south-central regional Main Contractor. The business was formed in 2005, and prides itself on innovation, quality and success. The privately-owned business is a local contractor, constructing outstanding projects within a 90-minute radius of the Fareham office. These projects are delivered through three specialist operating divisions, Amiri Construction, Amiri Interiors and Amiri Special Works.

Since its formation in 2005, the Construction division within Amiri has been delivering a wide range of schemes in the education, industrial, office, retail, leisure and residential sectors. Projects typically range from £1 million up to around £12 million, and over the past five years, over 30% of work carried out by the division has been repeat business for existing clients.

The Interiors division of the business offers bespoke interior fit-out solutions for clients in the commercial, office, hospitality and leisure, retail and education sectors. Amiri Interiors represents a one-stop shop for fit-out and refurbishment projects, offering design capability where needed, or just bringing its dedicated supply chain to help achieve an existing vision.

**30% of work carried out by the division has been repeat business for existing clients.**

During the year, the business added another operating division, Amiri Special Works. Amiri Special Works offers expertise in smaller and more complex works. These projects typically require a more bespoke approach, potentially involving detailed programming, heightened supply chain response and coordination within sensitive live environments.

With the establishment of Special Works, Amiri is now able to offer the full range of construction services; from £1m-12m projects within Main Contracts, to interior fit-outs within Amiri Interiors and now smaller, more complex projects from Amiri Special Works.







# The brand ———

In the fourth quarter 2018 we embarked on a review of our brand and brand message. This included input from all the shareholders and staff as well as client feedback. At a staff conference in early 2019 we unveiled the refreshed brand and succinct brand message.

## Our vision ———

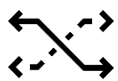
Creating exceptional environments for people to enjoy

## Our mission ———

We are passionate about creating exceptional environments for people to enjoy.

We are passionate about creating exceptional environments that people will enjoy. We live your vision until it becomes your reality. Our journey together is about delighting you with the Amiri experience.

## Our core strengths ———



### Versatility ———

We are good problem solvers, we respond to our clients' needs with solutions.



### Vision ———

With look at things differently, with a fresh approach. We bring creativity and live our clients' vision until it becomes our clients' reality.



### Relationship Building ———

We listen to what you want and experience the project together. We provide confidence and our clients trust us.



### Legacy ———

Our knowledge and know-how helps to deliver a better project; one that everyone can enjoy

## Our core values



### Lead with passion

We love our work. Delighting our clients and those involved with our work is important to us. We make sure that everyone is engaged and that there is success for everyone.



### Build better

We build better. Better relationships, better understanding and better experiences. We are innovative, creative and versatile. We keep up to date with trends and strive for continuous improvement.



### Listen and learn

What people feel about what we do is important. We listen to people and want to learn from different experiences. We share our knowledge and know-how and make sure that we create an inclusive environment.

# The Amiri Way

At Amiri we are passionate about what we do and want our clients to know that their project is important to us. We are problem solvers and bring new ideas with fresh eyes to deliver our client's vision. We will listen and learn from you, delivering exactly what you want with no surprises.



## DIRECT to Delight

We take the DIRECT approach to delighting our clients with a truly exceptional project experience



### Dedication

Dedication by the team, led by a Director, committed to delivering your project without compromise.



### Innovation

Innovation is considered and developed as standard. Our innovation may not revolutionise the world but our know-how and knowledge will bring you a better build.



### Responsiveness

As a listening organisation we will adapt our work to suit your evolving needs.



### Expectation

Expectation of a great project experience is what we set right from the beginning. Accept nothing less.



### Communication

Communication makes a great team and our open approach to engagement at all levels ensures we build lasting relationships.



### Trust

Trust is what turns a good project experience into the Amiri project experience – exceptional.



# Sector performance ———

**The business entered 2018 well placed to serve a local market buoyant with opportunity.**

**The business delivered on this potential during the year, returning record turnover of £40.2m.**

This performance was achieved by continuing to deliver high quality projects within the established Main Contracts division of the business, consolidating on the early success of Amiri Interiors division established in the previous year, and bringing a new Amiri Special Works division to market during the year.

Within Main Contracts, the business delivered a £9 million retail park in Gosport. This prestigious project was completed two weeks in advance of the contracted completion date, with early access provided by Amiri to facilitate tenant fit out. This success in retail continued with the business completing a £4 million garden centre on time, allowing the client to take advantage of Christmas trading.

**This performance was achieved by continuing to deliver high quality projects**

Elsewhere in Main Contracts, the traditional strength of the business in the Commercial sector continued, with completions being achieved on £3 million office and industrial unit and a £1.5 million office during the year. Good progress is being made on an impressive £6.5 million high end office scheme within University of Southampton Science Park, due to complete mid-2019, but already over half complete.

The Education sector continued to prove successful for Main Contracts, with two separate projects being delivered for a repeat client, with a value totalling over £3.5 million.

The charitable sector also provided quality work to the business. Main Contracts completed a stunning £4 million Visitors Centre for a charitable trust in West Sussex, which was finished to an exceptionally high standard. The business also commenced work on a £4 million extension for a local church, which is due to complete in 2019.

Within Amiri Interiors, the business demonstrated its expertise in the fit-out space. The business finished two complete interior refurbishments during the year for two separate clients, with a combined value of £2.4 million. The first project involved replacement of existing office space with a bespoke space designed to client requirements. With the second project Amiri Interiors took existing office space and remodelled to deliver a mixed-use conference centre and exhibition hall.

The newly established Amiri Special Works division started strongly, completing a £1.8 million heating replacement project within the education sector on time. This strong performance assisted the division in winning another similar heating replacement project of £1.5 million, also within the education sector. This project commenced during the year, and is forecast to complete in 2019.







# Corporate performance ———

A strong performance across a range of sectors, together with the impact of the new Amiri Interiors and Amiri Special works divisions, resulted in the business reporting a record turnover of £40.2 million (2017: 24.5m). A margin of 9.7% was achieved on the turnover, improved on the previous year (2017: 9.2%).

Overheads stood at £3.1 million in support of this growth (2017: £2.2 million).

The business has maintained a robust balance sheet, closing the financial year with cash at bank and in hand of £4.2 million (2017: £3.1 million). Net assets of the business closed up on the previous year at £1.7 million, (2017: £1.1 million).

Staff are a key asset of the business. The growth of the business during the year allowed the business to expand the team to support this growth, bringing the total annual average headcount to 42 (2017: 34). The business seeks to attract and retain staff through an incentive scheme, together with comprehensive training and supporting the continual development of individuals.

**2%** 2018 staff churn rate

As part of its commitment to quality, the business has maintained its accreditations to Constructionline, the Contractors Health and Safety Assessment Scheme (CHAS), and the following ISO registrations:

- ISO9001 Quality Management Systems.
- ISO14001 Environmental Management Systems.
- ISO18001 Occupational Health & Safety Management Systems.

The business remains a part of the IESE Intermediate Construction Framework serving many public sector clients as well as offering the same partnering and negotiating skills to its many repeat private sector clients.

# Operational performance

## Principal risks and uncertainties

	Risk	Mitigation
Health & Safety	The business is engaged in projects which have the potential to cause serious injury to members of its staff, subcontractors, clients and members of the public.	Health and safety is a primary focus of the business. The business is committed to maintaining the highest standards of health and safety, with all staff receiving health and safety training. The business is ISO18001 certified, and accredited with the Contractors Health and Safety Assessment Scheme (CHAS).
Employees	The skills and expertise of its staff are central to the delivery of the objectives of the business. Failure to recruit and retain key staff could impact the ability of the business to deliver projects.	The business offers a competitive reward structure to attract, retain and motivate staff. This, together with the Amiri culture and ethos which actively promotes a collaborative working environment, ensures the business continues to maintain excellent levels of staff retention.
Economic conditions	Construction is a cyclical sector, and is reliant on the broader economy, and in some cases, government policy.	We monitor the prevailing economic conditions, ensuring the business remains flexible to react to change. The business ensures secured projects are diversified across a range of sectors, avoiding over exposure to any particular sector.
Financial - Credit	The financial assets of the business are bank balances and cash, and amounts receivable on contracts.	Receivables are closely monitored to ensure prompt settlement of amounts outstanding, with internal processes to identify any at risk amounts.
Financial - Liquidity	Cash management is critical to any business to ensure the continued smooth running of operations.	We carefully review cashflows on a contract by contract basis, together with robust cash forecasting to identify any potential liquidity risks.
Financial - Price	The business is exposed to price risk in the form of both materials and labour.	Close monitoring of costs throughout the build process, supplier negotiations, together with the practice of entering into supply agreements early in the lifecycle of contracts, so as to ensure price certainty wherever possible.

# Key performance indicators

2018 highlights

	2018	2017	Percentage increase (%)
Turnover	£40.2 million	£24.5 million	64.2
Gross profit	£3.9 million (9.7%)	£2.3 million (9.2%)	72.3
Profit before tax	£0.9 million	£0.1 million	1114.8
Overheads	£3.1 million	£2.2 million	39.4
Nos. of projects	22	20	10.0
Average project value	£3.1 million	£2.7 million	14.8





# Corporate social responsibility

## Building better

In 2018 we started to reimagine our Brand and what this means to us, to our clients and to those communities in which we work. This process has been both insightful and invigorating.

As a company we have articulated what you can expect from engaging the 'Amiri Way' and set out our vision, mission and values by which we live by.

As part of this engagement we have started to review the way we record, quantify and communicate the economic, social and environmental benefits that we bring to the communities that we serve.

One of our core strengths as a business is the positive legacy that we deliver and being a responsible company is key to this.

### Our legacy will continue through:

- Maintaining a strong balance sheet and paying supply chain members on time.
- Employing local supply chain companies to work with us on local projects.
- Investing in employees, skills and well-being.
- Reducing costs by finding by reducing waste, buying local and innovation in ways of working.
- Meeting the expectations of our clients and end-users.

Our vision is to create exceptional environments for people to enjoy, now and long into the future. We remain customer-focussed - delighting our clients and those involved with our work is important to us. We make sure that everyone is engaged and that there is success for everyone – this is our legacy.



Our commitment to corporate social responsibility is integral to delivering our vision and strategy and is also part of the 'Amiri Way'.

### Our CSR pillars

Our CSR pillars focus on what matters to us, our clients, our supply chain and the communities within which we work. They are realistic and make sure that we drive continuous improvement into our business and out through our legacy so that we can support success for all.

In 2019 we are identifying new goals and robust performance indicators to evidence our commitment which will be reflected in the 2019 reports and accounts.

### Charity of the year

**After asking staff which charity they would like to support as our Charity of the Year, we are delighted to confirm that our Charity for 2019 is The Murray Parish Trust. We will be undertaking various fundraising events throughout the year to raise funds for this worthy cause.**



In 2014 Sarah and Jim founded The Murray Parish Trust which is dedicated to the advancement of paediatric emergency medicine across the South of England. The charity ensures that children affected by major trauma can receive the best emergency care as close to home as possible.

In the mid-term, their aim is to better equip University Hospital Southampton, a nationally recognised centre of excellence. In addition to their focus on treating children, they will also be investing in ground breaking research into childhood illness, pioneering equipment and the development of specialist training programmes.



