

Unaudited Financial Statements
for the Year Ended 31 March 2021
for
Fairway Contracts Limited

SKS Bailey Group Limited
Yoden House
30 Yoden Way
Peterlee
Co. Durham
SR8 1AL

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for the Year Ended 31 March 2021

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Fairway Contracts Limited

Company Information
for the Year Ended 31 March 2021

DIRECTORS:

M Bell
J H Downey
S K Hodgson

REGISTERED OFFICE:

Unit 4C
Evolution
Wynyard Avenue
Billingham
TS22 5TB

REGISTERED NUMBER:

07739559 (England and Wales)

ACCOUNTANTS:

SKS Bailey Group Limited
Yoden House
30 Yoden Way
Peterlee
Co. Durham
SR8 1AL

Accountants' Report to the Board of Directors
on the Unaudited Financial Statements of
Fairway Contracts Limited

The following reproduces the text of the report prepared for the directors in respect of the company's annual unaudited financial statements. In accordance with the Companies Act 2006, the company is only required to file a Balance Sheet. Readers are cautioned that the Income Statement and certain other primary statements and the Report of the Directors are not required to be filed with the Registrar of Companies.

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Fairway Contracts Limited for the year ended 31 March 2021 which comprise the Income Statement, Balance Sheet and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed within the ICAEW's regulations and guidance at <http://www.icaew.com/en/membership/regulations-standards-and-guidance>.

This report is made solely to the Board of Directors of Fairway Contracts Limited, as a body, in accordance with our terms of engagement. Our work has been undertaken solely to prepare for your approval the financial statements of Fairway Contracts Limited and state those matters that we have agreed to state to the Board of Directors of Fairway Contracts Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Fairway Contracts Limited and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Fairway Contracts Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Fairway Contracts Limited. You consider that Fairway Contracts Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Fairway Contracts Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

SKS Bailey Group Limited
Yoden House
30 Yoden Way
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SR8 1AL

3 December 2021

Balance Sheet
31 March 2021

	Notes	2021 £	2020 £
FIXED ASSETS			
Intangible assets	3	-	-
Tangible assets	4	<u>31,805</u>	<u>14,619</u>
		<u>31,805</u>	<u>14,619</u>
CURRENT ASSETS			
Stocks	5	939,166	459,166
Debtors	6	1,025,476	1,580,532
Cash at bank		<u>798,023</u>	<u>247,357</u>
		2,762,665	2,287,055
CREDITORS			
Amounts falling due within one year	7	<u>(1,116,243)</u>	<u>(776,406)</u>
NET CURRENT ASSETS		<u>1,646,422</u>	<u>1,510,649</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,678,227	1,525,268
CREDITORS			
Amounts falling due after more than one year	8	<u>(42,892)</u>	<u>-</u>
NET ASSETS		<u>1,635,335</u>	<u>1,525,268</u>
CAPITAL AND RESERVES			
Called up share capital		100	100
Retained earnings		<u>1,635,235</u>	<u>1,525,168</u>
		<u>1,635,335</u>	<u>1,525,268</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2021 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

Balance Sheet - continued
31 March 2021

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 3 December 2021 and were signed on its behalf by:

M Bell - Director

Notes to the Financial Statements
for the Year Ended 31 March 2021

1. **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" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

TURNOVER

Turnover represents the amount of completed work invoiced and the amount due on long term contracts. This amount is determined by the work certified to date on a stage completion basis. Both of the amounts are shown net of VAT.

GOODWILL

Goodwill, being the amount paid in connection with the acquisition of a business in 2011, has been fully amortized.

INTANGIBLE ASSETS

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

TANGIBLE FIXED ASSETS

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 25% on reducing balance
Fixtures and fittings	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 40% on reducing balance

STOCKS

Stocks and work in progress (apart from long term contracts) are valued at the lower of cost and net realisable value. Cost represents the actual cost of direct labour and materials together with overheads incurred in bringing them to their present location and condition. Net realisable value is the actual or estimated selling price less future costs to completion. Progress payments received against short term work in progress have been deducted in arriving at the amounts stated.

TAXATION

Taxation for the year 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 year end and that are expected to apply to the reversal of the timing difference.

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

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

1. **ACCOUNTING POLICIES - continued**

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.

PENSION COSTS AND OTHER POST-RETIREMENT BENEFITS

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

LONG TERM CONTRACTS

Long term contract work in progress is shown at net cost after deducting foreseeable losses and payments on account.

Operating profit includes attributable profit on long term contracts completed and amounts recoverable on contracts uncompleted, the latter also being included in debtors due within one year.

2. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 12 (2020 - 10) .

3. **INTANGIBLE FIXED ASSETS**

	Goodwill £
COST	
At 1 April 2020 and 31 March 2021	<u>40,859</u>
AMORTISATION	
At 1 April 2020 and 31 March 2021	<u>40,859</u>
NET BOOK VALUE	
At 31 March 2021	<u>-</u>
At 31 March 2020	<u>-</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

4. **TANGIBLE FIXED ASSETS**

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 April 2020	-	6,672	24,000	6,932	37,604
Additions	533	-	26,100	2,640	29,273
Disposals	-	-	(5,000)	(492)	(5,492)
At 31 March 2021	<u>533</u>	<u>6,672</u>	<u>45,100</u>	<u>9,080</u>	<u>61,385</u>
DEPRECIATION					
At 1 April 2020	-	4,344	14,623	4,018	22,985
Charge for year	51	582	6,532	680	7,845
Eliminated on disposal	-	-	(1,250)	-	(1,250)
At 31 March 2021	<u>51</u>	<u>4,926</u>	<u>19,905</u>	<u>4,698</u>	<u>29,580</u>
NET BOOK VALUE					
At 31 March 2021	<u>482</u>	<u>1,746</u>	<u>25,195</u>	<u>4,382</u>	<u>31,805</u>
At 31 March 2020	<u>-</u>	<u>2,328</u>	<u>9,377</u>	<u>2,914</u>	<u>14,619</u>

5. **STOCKS**

	2021 £	2020 £
Work-in-progress	<u>939,166</u>	<u>459,166</u>

6. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021 £	2020 £
Trade debtors	2,280	-
Amounts recoverable on contract	504,296	896,315
Other debtors	243,003	275,000
Directors' current accounts	37,756	6,383
Tax	229,729	394,422
Net wages - Advances	8,412	8,412
	<u>1,025,476</u>	<u>1,580,532</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Bounce back loan - upto 1 Yr	7,108	-
Trade creditors	574,187	219,627
Advance from Customers	65,676	-
Social security and other tax	69,748	48,595
VAT	105,489	124,120
Other creditors	2,227	870
Factoring account	203,367	318,598
CITB Levy	51,163	51,260
Net wages payable	35,133	-
Accrued expenses	2,145	13,336
	<u>1,116,243</u>	<u>776,406</u>

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

	2021	2020
	£	£
Bounce back loan - 2-5 years	<u>42,892</u>	<u>-</u>

9. SECURED DEBTS

The following secured debts are included within creditors:

	2021	2020
	£	£
Factoring account	<u>265,486</u>	<u>318,598</u>

The Factoring account is secured against the company's amounts recoverable on contracts £564,296 (2020: £896,315)

10. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to directors subsisted during the years ended 31 March 2021 and 31 March 2020:

	2021	2020
	£	£
M Bell		
Balance outstanding at start of year	6,383	7,969
Amounts advanced	-	138,414
Amounts repaid	(5,806)	(140,000)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>577</u>	<u>6,383</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

10. **DIRECTORS' ADVANCES, CREDITS AND GUARANTEES - continued**

J H Downey

Balance outstanding at start of year	-	-
Amounts advanced	85,340	-
Amounts repaid	(50,000)	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>35,340</u>	<u>-</u>

S K Hodgson

Balance outstanding at start of year	-	-
Amounts advanced	51,840	-
Amounts repaid	(50,000)	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>1,840</u>	<u>-</u>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.