

**Strategic Report, Report of the Director and
Financial Statements
for the Year Ended 31 March 2021
for
TUDORBORNE LIMITED**

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for the year ended 31 March 2021**

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TUDORBORNE LIMITED
Company Information
for the year ended 31 March 2021

Director: M Neary

Secretary: Northline Business Consultants Limited

Registered office: 9 Coal Pit Lane
Atherton
Manchester
M46 0RY

Registered number: 02683590 (England and Wales)

Auditors: Haines Watts Manchester Limited, Statutory Auditor
Northern Assurance Buildings
9-21 Princess Street
Manchester
M2 4DN

**Strategic Report
for the year ended 31 March 2021**

The director presents his strategic report for the year ended 31 March 2021.

Review of business

The director is disappointed with the results for this year. The negative results are a direct impact of the COVID-19 pandemic which forced the business to effectively shut down for the majority of the first quarter of the year.

During this time the business made use of the Coronavirus Job Retention Scheme. However, the additional cost burden of holiday pay and, more latterly, Employers National Insurance, as well as the fixed overhead costs of property, plant and vehicles had a serious financial impact on the business.

Further, when the business recommenced trading in late summer 2020 it was apparent that the interruption in tendering \ contract awards would have an impact on the flow of workload and subsequently turnover for the remainder of the year.

Despite the ongoing impact of the pandemic turnover has now returned to normal levels and, as a result, the director anticipates the company will return to profitability in the financial year 2021/2022.

Principal risks and uncertainties

Competitive pressures represent a continuing risk. However, through longstanding relationships with the company's main contractors and suppliers, the company seeks at all time to minimise such risks. The company is not subject to currency risks or material fluctuations in the cost price of raw materials and labour services in the markets in which it operates.

Key performance indicators

The company's key financial and other performance indicators during the year were as follows:

	Unit	2021	2020
Turnover	£	11,074,536	15,519,253
Gross profit margin	%	(2.0)	6.6
Profit / (loss) before tax	£	(905,844)	(314,365)

Future developments

The business intends to continue focusing on its core business servicing the EHV industry for civils and cable installation activities. It is the opinion of the Director that this industry provides opportunity for sufficient growth of the business in the coming years.

The long term frameworks secured in the Rail business have now stabilised and, as they mature, expected to started delivering increased turnover. The current frameworks run to 2024 and will provide a platform for growth in future years.

On behalf of the board:

M Neary - Director

29 March 2022

**Report of the Director
for the year ended 31 March 2021**

The director presents his report with the financial statements of the company for the year ended 31 March 2021.

Principal activity

The principal activity of the company in the year under review was that of specialist contractors in the civil, electrical and rail industries. Activities include the installation of power and communications cabling, with associated civil works, on the UK electricity network. In the rail industry activities include cabling work, line-side civil works, building works and works to the permanent way. The company operates both in the heavy rail environment (Network Rail & associated TOC's), and in the light rail environment for a number of tram network operators.

Dividends

An interim dividend of 0.41597 per share on the Ordinary B £1 shares was paid on 23 March 2021. The director recommends that no final dividend be paid on these shares.

No interim dividend was paid on the Ordinary £1 shares. The director recommends that no final dividend be paid on these shares.

The total distribution of dividends for the year ended 31 March 2021 will be £ 2,000 .

Events since the end of the year

Information relating to events since the end of the year is given in the notes to the financial statements.

Director

M Neary held office during the whole of the period from 1 April 2020 to the date of this report.

Financial instruments

The business' principal financial instruments comprise bank balances, bank loans, bank overdrafts, trade debtors and trade creditors. The main purpose of these instruments is to finance the business' operations.

In respect of bank balances, the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts at floating rates of interest. All of the business' cash balances are held in such a way that achieves a competitive rate of interest.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits. The amounts presented in the balance sheet are net of allowances for doubtful debtors.

Trade creditors' liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

The company is a lessee in respect of operating leased assets. The liquidity risk in respect of these assets is managed by ensuring there are sufficient funds to meet the payments.

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.

**Report of the Director
for the year ended 31 March 2021**

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.

Auditors

The auditors, Haines Watts Manchester Limited, Statutory Auditor, will be proposed for re-appointment at the forthcoming Annual General Meeting.

On behalf of the board:

M Neary - Director

29 March 2022

Report of the Independent Auditors to the Members of Tudorborne Limited

Opinion

We have audited the financial statements of Tudorborne Limited (the 'company') for the year ended 31 March 2021 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, 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 31 March 2021 and of its loss 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.

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.

However, not all future events or conditions can be predicted. The COVID-19 viral pandemic is one of the most significant economic events for the UK with unprecedented levels of uncertainty of outcomes. It is therefore difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and wider economy. The Directors' view on the impact of COVID-19 is disclosed in the Strategic 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 Tudorborne 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 three, 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:

- identifying and assessing the design and effectiveness of controls that management has in place to prevent and detect fraud;
- identifying and testing journal entries, in particular journals we consider to be unusual;
- sampling physical verification of stock and agreeing to final stock records;
- sampling physical verification of assets on the fixed asset register;
- assessing managements contract estimates and amounts recoverable along with gathering 3rd party evidence;
- agree sample of salaries paid to contracts of employment and salary increase letters;
- assessing the extent of compliance with applicable laws and regulations. Alongside maintaining professional scepticism and reviewing legal expenses

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.

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.

Antony Sassen (Senior Statutory Auditor)
for and on behalf of Haines Watts Manchester Limited, Statutory Auditor
Northern Assurance Buildings
9-21 Princess Street
Manchester
M2 4DN

30 March 2022

**Statement of Comprehensive
Income
for the year ended 31 March 2021**

	Notes	2021 £	2020 £
Turnover	4	11,074,536	15,519,253
Cost of sales		(11,295,476)	(14,494,858)
Gross (loss)/profit		(220,940)	1,024,395
Administrative expenses		(1,367,604)	(1,349,405)
		(1,588,544)	(325,010)
Other operating income	5	702,700	9,586
Operating loss	7	(885,844)	(315,424)
Interest receivable and similar income		92	1,059
		(885,752)	(314,365)
Interest payable and similar expenses	8	(20,092)	-
Loss before taxation		(905,844)	(314,365)
Tax on loss	9	4,063	(1,370)
Loss for the financial year		(901,781)	(315,735)
Other comprehensive income			
Revaluation		-	109,436
Income tax relating to other comprehensive income		-	(21,743)
Other comprehensive income for the year, net of income tax		-	87,693
Total comprehensive income for the year		(901,781)	(228,042)

**Balance Sheet
31 March 2021**

	Notes	£	2021 £	£	2020 £
Fixed assets					
Tangible assets	11		864,913		912,882
Investments	12		-		-
Investment property	13		402,951		567,450
			1,267,864		1,480,332
Current assets					
Stocks	14	165,931		192,043	
Debtors	15	4,336,473		4,976,631	
Cash at bank and in hand		6,368		8,006	
		4,508,772		5,176,680	
Creditors					
Amounts falling due within one year	16	3,244,970		3,798,508	
Net current assets			1,263,802		1,378,172
Total assets less current liabilities			2,531,666		2,858,504
Creditors					
Amounts falling due after more than one year	17		(581,006)		-
Provisions for liabilities	21		(73,784)		(77,847)
Net assets			1,876,876		2,780,657
Capital and reserves					
Called up share capital	22		48,308		48,308
Share premium	23		105,975		105,975
Revaluation reserve	23		129,115		129,115
Capital redemption reserve	23		2,175		2,175
Other reserves	23		12,449		12,449
Non-distributable reserve	23		117,979		142,388
Retained earnings	23		1,460,875		2,340,247
Shareholders' funds			1,876,876		2,780,657

The financial statements were approved by the director and authorised for issue on 29 March 2022 and were signed by:

M Neary - Director

**Statement of Changes in Equity
for the year ended 31 March 2021**

	Called up share capital £	Retained earnings £	Share premium £	Revaluation reserve £
Balance at 1 April 2019	50,483	2,740,382	105,975	41,422
Changes in equity				
Reduction in share capital	(2,175)	(20,200)	-	-
Dividends	-	(2,905)	-	-
Total comprehensive income	-	(377,030)	-	87,693
Balance at 31 March 2020	48,308	2,340,247	105,975	129,115
Changes in equity				
Dividends	-	(2,000)	-	-
Total comprehensive income	-	(877,372)	-	-
Balance at 31 March 2021	48,308	1,460,875	105,975	129,115
	Capital redemption reserve £	Other reserves £	Non- distributable reserve £	Total equity £
Balance at 1 April 2019	-	12,449	81,093	3,031,804
Changes in equity				
Reduction in share capital	2,175	-	-	(20,200)
Dividends	-	-	-	(2,905)
Total comprehensive income	-	-	61,295	(228,042)
Balance at 31 March 2020	2,175	12,449	142,388	2,780,657
Changes in equity				
Dividends	-	-	-	(2,000)
Total comprehensive income	-	-	(24,409)	(901,781)
Balance at 31 March 2021	2,175	12,449	117,979	1,876,876

**Cash Flow Statement
for the year ended 31 March 2021**

		2021	2020
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	1	(567,538)	(1,423,860)
Interest paid		(12,196)	-
Net cash from operating activities		<u>(579,734)</u>	<u>(1,423,860)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(16,305)	(1,595)
Sale of tangible fixed assets		1,609	91,749
Sale of investment property		164,499	-
Interest received		92	1,059
Net cash from investing activities		<u>149,895</u>	<u>91,213</u>
Cash flows from financing activities			
New bank loan in year		600,000	-
Share issue		-	(20,200)
Equity dividends paid		(2,000)	(2,905)
Net cash from financing activities		<u>598,000</u>	<u>(23,105)</u>
Increase/(decrease) in cash and cash equivalents		<u>168,161</u>	<u>(1,355,752)</u>
Cash and cash equivalents at beginning of year	2	(329,559)	1,026,193
Cash and cash equivalents at end of year	2	<u>(161,398)</u>	<u>(329,559)</u>

**Notes to the Cash Flow Statement
for the year ended 31 March 2021**

1. Reconciliation of loss before taxation to cash generated from operations

	2021	2020
	£	£
Loss before taxation	(905,844)	(314,365)
Depreciation charges	62,666	78,570
Profit on disposal of fixed assets	-	(89,714)
Gain on revaluation of fixed assets	-	(74,500)
Finance costs	20,092	-
Finance income	(92)	(1,059)
	(823,178)	(401,068)
Decrease in stocks	26,112	16,409
Decrease/(increase) in trade and other debtors	640,158	(902,285)
Decrease in trade and other creditors	(410,630)	(136,916)
Cash generated from operations	(567,538)	(1,423,860)

2. Cash and cash equivalents

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 March 2021

	31/3/21	1/4/20
	£	£
Cash and cash equivalents	6,368	8,006
Bank overdrafts	(167,766)	(337,565)
	(161,398)	(329,559)

Year ended 31 March 2020

	31/3/20	1/4/19
	£	£
Cash and cash equivalents	8,006	1,041,504
Bank overdrafts	(337,565)	(15,311)
	(329,559)	1,026,193

**Notes to the Cash Flow Statement
for the year ended 31 March 2021**

3. Analysis of changes in net debt

	At 1/4/20 £	Cash flow £	At 31/3/21 £
Net cash			
Cash at bank and in hand	8,006	(1,638)	6,368
Bank overdrafts	(337,565)	169,799	(167,766)
	<u>(329,559)</u>	<u>168,161</u>	<u>(161,398)</u>
Debt			
Debts falling due within 1 year	-	(26,891)	(26,891)
Debts falling due after 1 year	-	(581,006)	(581,006)
	<u>-</u>	<u>(607,897)</u>	<u>(607,897)</u>
Total	<u>(329,559)</u>	<u>(439,736)</u>	<u>(769,295)</u>

**Notes to the Financial Statements
for the year ended 31 March 2021**

1. Statutory information

Tudorborne 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. Statement of compliance

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.

3. Accounting policies

Basis of preparing the financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Going concern

The company incurred a loss during the year as at 31 March 2021. The financial statements have been prepared on a going concern basis. The directors have reviewed and considered relevant information, including the annual budget and future cashflows in undertaking their going concern review. In particular, in response to the COVID-19 pandemic, the directors have considered the impact on the business of possible scenarios as a result of COVID-19, alongside the measures that they have taken to date and can take in the future to mitigate the impact. Based on these assessments, given the current working capital available to the company, the directors have concluded that they can continue to adopt the going concern basis in preparing annual reports and accounts.

Significant judgements and estimates

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

There are not considered to be any critical judgements in applying the company's accounting policies.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amounts of assets or liabilities within the next financial year are addressed below.

(i) Amounts recoverable on contracts valuation

The valuation of amounts recoverable on contracts involves a number of estimates including costs to complete, anticipated gross profit and the analysis of costs between the different stages of delivery.

(ii) Provisions

Provision is made for remedial work. This provision requires management's best estimate of the costs that will be incurred based on contractual requirements.

(iii) Share options

The cost of equity-settled transactions with employees is measured, where appropriate, with reference to the fair value at the date on which they are granted. Estimates applied or used in a valuation model in order to calculate the cost include, but are not limited to, the expected life of the award, the number of awards that will ultimately vest and the expected volatility of the company's valuation.

(iv) Investment property

Investment properties are initially measured at cost and subsequently at fair value with changes in fair value recognised in profit or loss. The fair value is estimated by management. The best evidence of fair value is normally given by current prices on the active market for similar property in the same location and condition.

**Notes to the Financial Statements - continued
for the year ended 31 March 2021**

3. Accounting policies - continued

Turnover

Turnover represents amounts chargeable, net of value added tax, in respect of the sale of goods and services to customer. Specific policies relating to turnover are described per long-term contracts accounting policy.

Tangible fixed assets

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

Freehold property	- 10% straight line and 2% straight line
Plant and machinery	- 20% straight line
Fixtures and fittings	- 20% straight line
Motor vehicles	- 25% straight line

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use, dismantling and restoration costs capitalised.

Freehold property is stated at open market valuation which is reviewed by the directors annually. A revaluation surplus is recorded and credited to the asset revaluation reserve in equity. A revaluation deficit is recognised in the statement of profit and loss except to the extent that it offsets an existing surplus on the same asset.

Government grants

Government grants are recognised when there is reasonable assurance that the company will comply with the conditions attaching to the grant and the grant will be received.

For the monthly and weekly job retention scheme grant income, the income will be recognised in the period to which the underlying furloughed staff costs relate to.

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost less any provision for impairment.

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in profit or loss.

Investment properties are included at fair value. Gains and losses are recognised in the statement of comprehensive income. Deferred taxation is provided on any gains at the rate expected to apply when the properties are sold.

Although this accounting policy is in accordance with the Financial Reporting Standard 102 it is a departure from the general requirement of the Companies Act 2006 for all tangible assets to be depreciated. In the opinion of the directors compliance with the standard is necessary for the financial statements to give a true and fair view.

Investments - Company

Investment in a subsidiary company is held at cost less accumulated impairment losses.

Stocks

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

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, 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.

**Notes to the Financial Statements - continued
for the year ended 31 March 2021**

3. Accounting policies - continued

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.

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

Amounts recoverable on long term contracts, which are included in debtors are stated at net sales value of the work done after provision for contingencies and anticipated future losses on contracts, less amounts received as progress payments on account. Excess progress payments are included in creditors as payments on account.

Profit on long term contracts is taken as the work is carried out if the final outcome can be assessed with reasonable certainty. The profit included is calculated on a prudent basis to reflect the work carried out at the year end, by recording the turnover and related costs as the contract activity progresses. Where the contract outcome cannot be measured reliably, revenue is measured only to the extent of the expenses recognised that are recoverable. Full provision is made for losses on all contracts in the year in which they are first foreseen.

Financial instruments

The company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

(i) Financial assets

Basic financial assets, including trade and other debtors and cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. 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 the profit or loss.

There are no assets which are initially measured at fair value.

(ii) Financial liabilities

Basic financial liabilities, including trade and other creditors 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 receipts discounted at a market rate of interest.

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

**Notes to the Financial Statements - continued
for the year ended 31 March 2021****3. Accounting policies - continued****Share capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Distributions to equity holders

Dividends and other distributions to the company's shareholders are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the shareholders. These amounts are recognised in the statement of changes in equity.

Share based payments

The fair value of share-based remuneration is determined at the date of the grant and recognised as an expense on a straight line basis over the vesting period. The fair value is determined by the Black-Scholes option pricing model.

4. Turnover

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

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

	2021	2020
	£	£
Construction	7,292,707	9,396,007
Rail	3,779,989	6,121,816
Grants	1,840	1,430
	<u>11,074,536</u>	<u>15,519,253</u>

5. Other operating income

	2021	2020
	£	£
Discounts received	-	3,931
Rent receivable	-	1,100
Other income	4,905	4,555
Government grants	697,795	-
	<u>702,700</u>	<u>9,586</u>

6. Employees and directors

	2021	2020
	£	£
Wages and salaries	5,927,413	6,123,803
Social security costs	482,292	539,431
Other pension costs	151,813	136,378
	<u>6,561,518</u>	<u>6,799,612</u>

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

	2021	2020
Administration and support	24	23
Production	82	91
	<u>106</u>	<u>114</u>

**Notes to the Financial Statements - continued
for the year ended 31 March 2021**

6. Employees and directors - continued

	2021	2020
	£	£
Director's remuneration	<u>67,050</u>	<u>73,202</u>
The number of directors to whom retirement benefits were accruing was as follows:		
Money purchase schemes	<u>1</u>	<u>1</u>

7. Operating loss

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

	2021	2020
	£	£
Depreciation - owned assets	62,665	78,570
Profit on disposal of fixed assets	-	(89,714)
Auditor's remuneration	9,845	11,165
Lease of motor vehicles	<u>98,988</u>	<u>107,345</u>

8. Interest payable and similar expenses

	2021	2020
	£	£
Bank interest payable	11,021	-
Bank loan interest	<u>9,071</u>	<u>-</u>
	<u>20,092</u>	<u>-</u>

9. Taxation

Analysis of the tax (credit)/charge

The tax (credit)/charge on the loss for the year was as follows:

	2021	2020
	£	£
Deferred tax	<u>(4,063)</u>	<u>1,370</u>
Tax on loss	<u>(4,063)</u>	<u>1,370</u>

**Notes to the Financial Statements - continued
for the year ended 31 March 2021**

9. Taxation - continued

Reconciliation of total tax (credit)/charge included in profit and loss

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

	2021	2020
	£	£
Loss before tax	<u>(905,844)</u>	<u>(314,365)</u>
Loss multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	(172,110)	(59,729)
Effects of:		
Expenses not deductible for tax purposes	5,592	5,204
Income not taxable for tax purposes	-	(32,017)
Depreciation in excess of capital allowances	6,751	9,819
Deferred tax	(4,063)	1,370
Tax losses carried forward	<u>159,767</u>	<u>76,723</u>
Total tax (credit)/charge	<u>(4,063)</u>	<u>1,370</u>

Tax effects relating to effects of other comprehensive income

There were no tax effects for the year ended 31 March 2021.

	Gross	Tax	2020
	£	£	Net
Revaluation	<u>109,436</u>	<u>(21,743)</u>	<u>87,693</u>

10. Dividends

	2021	2020
	£	£
Ordinary B shares of £1 each		
Interim	<u>2,000</u>	<u>2,905</u>

**Notes to the Financial Statements - continued
for the year ended 31 March 2021**

11. Tangible fixed assets

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
Cost or valuation					
At 1 April 2020	856,750	735,039	181,286	3,590	1,776,665
Additions	-	9,468	6,837	-	16,305
Disposals	-	(35,617)	-	-	(35,617)
At 31 March 2021	<u>856,750</u>	<u>708,890</u>	<u>188,123</u>	<u>3,590</u>	<u>1,757,353</u>
Depreciation					
At 1 April 2020	-	681,677	178,516	3,590	863,783
Charge for year	24,709	35,744	2,212	-	62,665
Eliminated on disposal	-	(34,008)	-	-	(34,008)
At 31 March 2021	<u>24,709</u>	<u>683,413</u>	<u>180,728</u>	<u>3,590</u>	<u>892,440</u>
Net book value					
At 31 March 2021	<u>832,041</u>	<u>25,477</u>	<u>7,395</u>	<u>-</u>	<u>864,913</u>
At 31 March 2020	<u>856,750</u>	<u>53,362</u>	<u>2,770</u>	<u>-</u>	<u>912,882</u>

Cost or valuation at 31 March 2021 is represented by:

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
Valuation in 2021	114,436	-	-	-	114,436
Cost	<u>742,314</u>	<u>708,890</u>	<u>188,123</u>	<u>3,590</u>	<u>1,642,917</u>
	<u>856,750</u>	<u>708,890</u>	<u>188,123</u>	<u>3,590</u>	<u>1,757,353</u>

If freehold property had not been revalued it would have been included at the following historical cost:

	2021 £	2020 £
Cost	<u>1,015,435</u>	<u>1,015,435</u>
Aggregate depreciation	<u>297,830</u>	<u>273,121</u>
Value of land in freehold land and buildings	<u>856,750</u>	<u>856,750</u>

Freehold property was valued on an open market basis on 31 March 2021 by directors .

**Notes to the Financial Statements - continued
for the year ended 31 March 2021**

12. Fixed asset investments

**Shares in
group
undertakings
£**

Cost

At 1 April 2020
and 31 March 2021

618,717

Provisions

At 1 April 2020
and 31 March 2021

618,717

Net book value

At 31 March 2021
At 31 March 2020

-
-

The company's investments at the Balance Sheet date in the share capital of companies include the following:

A D Antrobus Electrical Contracting Services Limited

Registered office: 9 Coal Pit Lane, Atherton, Manchester M46 0RY

Nature of business: Dormant company

Class of shares:
Ordinary

%
holding
100.00

13. Investment property

**Total
£**

Fair value

At 1 April 2020

567,450

Disposals

(164,499)

At 31 March 2021

402,951

Net book value

At 31 March 2021

402,951

At 31 March 2020

567,450

Investment properties were revalued on an open market basis on 31 March 2021 by the director.

The historical cost of the investment properties are £261,500 (2020 - £406,500).

14. Stocks

**2021
£**

**2020
£**

Raw materials

165,931

192,043

**Notes to the Financial Statements - continued
for the year ended 31 March 2021**

15. Debtors: amounts falling due within one year

	2021	2020
	£	£
Trade debtors	1,283,629	2,505,450
Amounts recoverable on contract	2,918,184	2,337,466
Other debtors	18,188	10,375
Prepayments and accrued income	116,472	123,340
	<u>4,336,473</u>	<u>4,976,631</u>

Financial assets that are debt instruments measured at amortised cost include trade debtors.

16. Creditors: amounts falling due within one year

	2021	2020
	£	£
Bank loans and overdrafts (see note 18)	194,657	337,565
Payments on account	234,152	101,810
Trade creditors	918,006	1,807,343
Social security and other taxes	153,178	168,051
VAT	529,070	432,282
Other creditors	178,912	108,266
Accruals and deferred income	1,036,995	843,191
	<u>3,244,970</u>	<u>3,798,508</u>

Financial liabilities measured at amortised cost include trade creditors, other creditors, bank loans and overdrafts.

Included within accruals are contract provisions amounting to £986,705 (2020 - £811,346).

17. Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Bank loans (see note 18)	<u>581,006</u>	<u>-</u>

18. Loans

An analysis of the maturity of loans is given below:

	2021	2020
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	167,766	337,565
Bank loans	<u>26,891</u>	<u>-</u>
	<u>194,657</u>	<u>337,565</u>

Amounts falling due between one and two years:

Bank loans - 1-2 years	<u>56,019</u>	<u>-</u>
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Amounts falling due between two and five years:

Bank loans - 2-5 years	<u>175,184</u>	<u>-</u>
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Amounts falling due in more than five years:

**Notes to the Financial Statements - continued
for the year ended 31 March 2021**

18. Loans - continued

	2021	2020
	£	£
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans more 5 yr by instal	<u>349,803</u>	<u>-</u>

19. Leasing agreements

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2021	2020
	£	£
Within one year	78,730	75,073
Between one and five years	<u>38,696</u>	<u>58,503</u>
	<u>117,426</u>	<u>133,576</u>

20. Secured debts

The following secured debts are included within creditors:

	2021	2020
	£	£
Bank overdrafts	167,766	337,565
Bank loans	<u>607,897</u>	<u>-</u>
	<u>775,663</u>	<u>337,565</u>

The bank overdraft is secured by a fixed and floating charge over the assets of the company. The bank loan is secured against the freehold property and investment properties.

21. Provisions for liabilities

	2021	2020
	£	£
Deferred tax		
Accelerated capital allowances	53,426	57,489
Other timing differences	<u>20,358</u>	<u>20,358</u>
	<u>73,784</u>	<u>77,847</u>

Deferred tax

	£
Balance at 1 April 2020	77,847
Credit to Statement of Comprehensive Income during year	<u>(4,063)</u>
Balance at 31 March 2021	<u>73,784</u>

**Notes to the Financial Statements - continued
for the year ended 31 March 2021**

22. Called up share capital

Allotted, issued and fully paid:
Number: Class:

		Nominal value:	2021 £	2020 £
43,500	Ordinary	£1	43,500	43,500
4,808	Ordinary B	£1	4,808	4,808
			<u>48,308</u>	<u>48,308</u>

23. Reserves

	Retained earnings £	Share premium £	Revaluation reserve £
At 1 April 2020	2,340,247	105,975	129,115
Deficit for the year	(901,781)	-	-
Dividends	(2,000)	-	-
Deferred tax on investment property fair value gains	(5,725)	-	-
Transfer realised gain	30,134	-	-
At 31 March 2021	<u>1,460,875</u>	<u>105,975</u>	<u>129,115</u>

	Capital redemption reserve £	Other reserves £	Non- distributable reserve £	Totals £
At 1 April 2020	2,175	12,449	142,388	2,732,349
Deficit for the year	-	-	-	(901,781)
Dividends	-	-	-	(2,000)
Deferred tax on investment property fair value gains	-	-	5,725	-
Transfer realised gain	-	-	(30,134)	-
At 31 March 2021	<u>2,175</u>	<u>12,449</u>	<u>117,979</u>	<u>1,828,568</u>

Retained earnings represents cumulative profit or losses net of dividends paid and other adjustments.

Revaluation reserve relates to the revaluation of fixed assets.

Other reserves relate to share option expenses.

Non-distributable reserve relates to increases in value of investment properties.

Share premium relates to the excess paid of the nominal share value.

Capital redemption reserve relates to the purchase and cancellation of own shares.

24. Ultimate parent company

The controlling party is M Neary, director and shareholder.

**Notes to the Financial Statements - continued
for the year ended 31 March 2021**

25. Contingent liabilities

There is a contingent liability in respect of contract bonds which at 31 March 2021 amounted to £86,458 (2020 - £62,102).

26. Post balance sheet events

After the year end, the company has sold an investment property amounting to £265,000.