

# Financial Statements

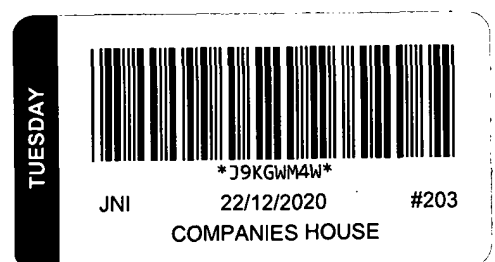
## Byeways Developments Limited

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For the Year Ended 31 December 2019



Registered number: NI649541



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# Independent auditor's report to the members of Byeways Developments Limited

## Opinion

We have audited the financial statements of Byeways Developments Limited, which comprise the Balance Sheet for the financial year ended 31 December 2019, and the related 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, Byeways Developments Limited's financial statements:

- give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice of the financial position of the Company as at 31 December 2019 and of its financial performance for the year then ended; 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') and applicable law. Our responsibilities under those standards are further described in the 'responsibilities of the auditor 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 United Kingdom, namely FRC's Ethical Standard concerning the integrity, objectivity and independence of the auditor. We have fulfilled our 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## Independent auditor's report to the members of Byeways Developments Limited (continued)

### **Other information**

Other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's Report thereon, including the Directors' Report. The Directors are responsible for the other information. Our opinion on the financial statements does not cover the 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 in the financial statements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements, and the Directors' Report has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

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

We have nothing to report in respect of the following matters in relation to which 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 Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Directors were not entitled to take advantage of the small companies' exemptions from the requirement to prepare a strategic report or in preparing the Directors' Report.

## Independent auditor's report to the members of Byeways Developments Limited (continued)

### **Responsibilities of management and those charged with governance for the financial statements**

Management is responsible for the preparation of the financial statements which give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS102 and for such internal control as the Directors determine is 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, management 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 management either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

## Independent auditor's report to the members of Byeways Developments Limited (continued)

### **Responsibilities of the auditor for the audit of the financial statements**

The objectives of an auditor 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 an Auditor's Report that includes their 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.

As part of an audit in accordance with ISAs (UK), the auditor will exercise professional judgment and maintain professional scepticism throughout the audit. They will also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If they conclude that a material uncertainty exists, they are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify their opinion. Their conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

The auditor shall communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that may be identified during the audit.



## Independent auditor's report to the members of Byeways Developments Limited (continued)

### **The purpose of our audit work and to whom we owe our responsibilities**

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 an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in cursive script that reads "Louise Kelly".

Louise Kelly (Senior Statutory Auditor)

for and on behalf of

**Grant Thornton (NI) LLP**

Chartered Accountants  
Statutory Auditor

Belfast

16 December 2020

Byeways Developments Limited

Registered number: NI649541

## Balance Sheet

As at 31 December 2019


	Note	2019 £	2018 £
<b>Fixed assets</b>			
Investment property	5	2,425,994	2,425,000
		<u>2,425,994</u>	<u>2,425,000</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	6	63,494	76,074
Cash at bank and in hand	7	34,927	4,147
		<u>98,421</u>	<u>80,221</u>
Creditors: amounts falling due within one year	8	(1,638,803)	(1,658,163)
<b>Net current liabilities</b>		<u>(1,540,382)</u>	<u>(1,577,942)</u>
<b>Total assets less current liabilities</b>		<u>885,612</u>	<u>847,058</u>
Creditors: amounts falling due after more than one year	9	(744,994)	(785,879)
<b>Net assets</b>		<u><u>140,618</u></u>	<u><u>61,179</u></u>
<b>Capital and reserves</b>			
Called up share capital		100	100
Profit and loss account		140,518	61,079
		<u><u>140,618</u></u>	<u><u>61,179</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 16 December 2020.

  
Connor Byrne  
Director

The notes on pages 7 to 12 form part of these financial statements.



# Notes to the Financial Statements

For the Year Ended 31 December 2019

## **1. General information**

Byeways Developments Limited is a private company, limited by shares and incorporated in Northern Ireland. Its registered office is 56 Tempo Road, Enniskillen, County Fermanagh BT74 6HR.

The principal activity of the company is the rental of investment property.

## **2. Accounting policies**

### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

These financial statements have been prepared in accordance with applicable accounting standards, including Section 1A of the Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' (FRS 102), and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis except for the modification to a fair value basis for certain financial instruments as specified in the accounting policies below.

The financial statements are presented in Sterling (£).

The preparation of the financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (note 3).

The following principal accounting policies have been applied:

### **2.2 Going concern**

After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements. In making this assessment the directors have considered the ongoing COVID-19 pandemic. Whilst the future financial impact of the outbreak is unknown at present the directors do not consider that there has been any significant detrimental impact to the business at this time.

### **2.3 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

#### **Rental of investment property**

Revenue from a contract to lease the property is recognised in the period in which the property is occupied. Any rent free periods included within the lease agreement are spread across the useful life of the lease, when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably; and
- it is probable that the company will receive the consideration due under the contract.

# Notes to the Financial Statements

For the Year Ended 31 December 2019

## 2. Accounting policies (continued)

### 2.4 Operating leases: the Company as lessor

Rentals income from operating leases is credited to profit or loss on a straight line basis over the term of the relevant lease.

Amounts paid and payable as an incentive to sign an operating lease are recognised as a reduction to income over the lease term on a straight line basis, unless another systematic basis is representative of the time pattern over which the lessor's benefit from the leased asset is diminished.

### 2.5 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

### 2.6 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

### 2.7 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

### 2.8 Investment property

Investment property is carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in profit or loss.

### 2.9 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

### 2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

## Notes to the Financial Statements

For the Year Ended 31 December 2019

### 2. Accounting policies (continued)

#### 2.11 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

### 3. Judgments in applying accounting policies and key sources of estimation uncertainty

Estimates and judgments are required when applying accounting policies. These 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.

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

#### a) Recoverability of debtors

Estimates are made in respect of the recoverable value of trade and other debtors. When assessing the level of provisions required, factors including current trading experience, historical experience and the aging profile of debtors are considered.

#### b) Market value of investment property

Estimates are made in respect of the market value of investment property. When assessing the market value of these assets, factors including current rent receivable and available data on current market yields and activity are considered.

### 4. Employees

The Company has no employees other than the directors, who did not receive any remuneration during the year.

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

	31 December 2019 No.	13 month period ended 31 December 2018 No.
Directors	<u>5</u>	<u>5</u>

# Notes to the Financial Statements

For the Year Ended 31 December 2019

## 5. Investment property

	Freehold investment property £
<b>Valuation</b>	
At 1 January 2019	2,425,000
Additions at cost	994
<b>At 31 December 2019</b>	<b>2,425,994</b>

The 2019 valuations were made by the directors, on an open market value for existing use basis.

## 6. Debtors

	2019 £	2018 £
Trade debtors	21,447	34,033
Amounts owed by related parties	42,047	42,041
	<b>63,494</b>	<b>76,074</b>

## 7. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	34,926	4,147
	<b>34,926</b>	<b>4,147</b>

# Notes to the Financial Statements

For the Year Ended 31 December 2019

## 8. Creditors: Amounts falling due within one year

	2019 £	2018 £
Bank loans	43,361	47,145
Amounts owed to related parties	1,512,457	1,549,493
Corporation tax	35,179	16,545
Other taxation and social security	8,565	11,162
Other creditors	750	-
Accruals and deferred income	8,951	4,278
Directors' current account	29,540	29,540
	<u>1,638,803</u>	<u>1,658,163</u>

## 9. Creditors: Amounts falling due after more than one year

	2019 £	2018 £
Bank loans	744,994	785,879
	<u>744,994</u>	<u>785,879</u>

The bank loans and overdrafts are secured by the company by way of fixed and floating charges over the properties of the company.

## 10. Loans

Analysis of the maturity of loans is given below:

	2019 £	2018 £
<b>Amounts falling due within one year</b>		
Bank loans	43,361	47,145
<b>Amounts falling due 1-2 years</b>		
Bank loans	56,128	48,821
<b>Amounts falling due 2-5 years</b>		
Bank loans	688,866	737,058
	<u>788,355</u>	<u>833,024</u>

## **Notes to the Financial Statements**

**For the Year Ended 31 December 2019**

### **11. Related party transactions**

The company is related to Modern Tyres Limited and Harolds Cross Estates Limited by virtue of common directorship.

During the year, Modern Tyres Limited paid £25,000 to Byeways Developments Limited for the rental of one property (2018: £25,000).

At the balance sheet date, the balances that were payable from and to related parties are disclosed within in notes 6 and 8 respectively.

### **12. Controlling party**

The ultimate controlling parties are deemed to be the shareholders.