

FAIRPORT SITE OPERATIONS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2009

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FAIRPORT SITE OPERATIONS LIMITED

COMPANY INFORMATION

Directors	A Lees C Bailey (appointed 2 July 2009) P Fitton (resigned 2 July 2009)
Company secretary	C Mutch
Company number	03428088
Registered office	28 Charles Street Stockport Cheshire SK1 3JR
Trading address	28 Charles Street Stockport Cheshire SK1 3JR
Auditors	PKF (UK) LLP 3 Hardman Street Spinningfields Manchester M3 3HF

FAIRPORT SITE OPERATIONS LIMITED

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FAIRPORT SITE OPERATIONS LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2009**

The directors present their report and the financial statements for the year ended 31 December 2009

Principal activities

The principal activity of the company is the repair, operation and maintenance of structures and plant and equipment

Directors

The directors who served during the year were

A Lees

C Bailey (appointed 2 July 2009)

P Fitton (resigned 2 July 2009)

Provision of information to auditors

Each of the persons who are directors at the time when this directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information

The report of the directors has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006

This report was approved by the board on 1 July 2010 and signed on its behalf



A Lees
Director

FAIRPORT SITE OPERATIONS LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have 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 directors must not approve the financial statements unless they are 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 directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and 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 directors are 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 them to ensure that the financial statements comply with the Companies Act 2006. They are 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.

FAIRPORT SITE OPERATIONS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FAIRPORT SITE OPERATIONS LIMITED

We have audited the financial statements of Fairport Site Operations Limited for the year ended 31 December 2009 which comprise the profit and loss account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to smaller entities).

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 auditors' 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.

Respective responsibilities of directors and auditors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2009 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to smaller entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

FAIRPORT SITE OPERATIONS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FAIRPORT SITE OPERATIONS LIMITED

Matters on which we are required to report by exception

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 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 prepare the financial statements and the directors' report in accordance with the small companies regime

PKF(UK)LLP

Francis Cooke (Senior statutory auditor)
for and on behalf of PKF (UK) LLP, Statutory auditors
Manchester, UK

DATE *1 July 2010*

FAIRPORT SITE OPERATIONS LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2009**

	Note	2009 £	2008 £
TURNOVER	1	886,679	1,505,584
Cost of sales		<u>(671,325)</u>	<u>(1,376,718)</u>
GROSS PROFIT		215,354	128,866
Administrative expenses		<u>(181,845)</u>	<u>(208,043)</u>
OPERATING PROFIT/(LOSS)	2	33,509	(79,177)
Interest payable		<u>-</u>	<u>(50)</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		33,509	(79,227)
Tax on profit/(loss) on ordinary activities	3	<u>(16,778)</u>	<u>22,464</u>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR	8	<u>16,731</u>	<u>(56,763)</u>

The notes on pages 7 to 11 form part of these financial statements

FAIRPORT SITE OPERATIONS LIMITED
REGISTERED NUMBER. 03428088

BALANCE SHEET
AS AT 31 DECEMBER 2009

	Note	£	2009 £	£	2008 £
FIXED ASSETS					
Tangible fixed assets	4		10,661		14,317
CURRENT ASSETS					
Debtors	5	451,284		924,829	
CREDITORS: amounts falling due within one year	6	(489,385)		(983,317)	
NET CURRENT LIABILITIES			(38,101)		(58,488)
TOTAL ASSETS LESS CURRENT LIABILITIES			(27,440)		(44,171)
CAPITAL AND RESERVES					
Called up share capital	7		100		100
Profit and loss account	8		(27,540)		(44,271)
SHAREHOLDERS' DEFICIT			(27,440)		(44,171)

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

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

1 July 2010



A Lees
Director

The notes on pages 7 to 11 form part of these financial statements

FAIRPORT SITE OPERATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

1.2 Turnover

Turnover represents sales and value of work done, excluding Value Added Tax

1.3 Long-term contracts

Contract profits are not recognised until the outcome can be foreseen with reasonable certainty. The profit included is calculated on a prudent basis to reflect the proportion of the work carried out at the year end, by recording turnover and related costs as contract activity progresses. Turnover is calculated as that proportion of total contract value which costs incurred to date bear to total expected costs for that contract.

Full provision is made for losses on all contracts in the year in which they are first foreseen.

Amounts recoverable on long term contracts included in debtors are stated at cost plus attributable profits, less provision for any known or anticipated losses and monies in advance.

Monies in advance in excess of amounts recoverable on long term contracts are included in creditors.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant & machinery	- 10-20% straight line
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1.5 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

FAIRPORT SITE OPERATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

1. ACCOUNTING POLICIES (continued)

1.6 Pensions

The amounts charged in the profit and loss account represent contributions payable by the company to the fund in respect of the year. The company operates a defined benefit scheme, but as it is not the principal employer and because the assets and liabilities attributable to employee of Fairport Site Operations Limited cannot be separately identified, transactions are accounted for on a defined contribution basis. The principal employer is Fairport Engineering Group Limited.

2. OPERATING PROFIT/(LOSS)

The operating profit/(loss) is stated after charging

	2009 £	2008 £
Depreciation of tangible fixed assets		
- owned by the company	3,656	305
Auditors' remuneration	2,000	2,500
	<u>5,656</u>	<u>2,805</u>

There were no directors' emoluments during the year (2008 - £Nil)

3. TAXATION

	2009 £	2008 £
Analysis of tax charge/(credit) in the year		
UK corporation tax charge/(credit) on profit/loss for the year	7,316	(22,464)
Adjustments in respect of prior periods	9,462	-
	<u>16,778</u>	<u>(22,464)</u>
Tax on profit/loss on ordinary activities	<u>16,778</u>	<u>(22,464)</u>

FAIRPORT SITE OPERATIONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

4. TANGIBLE FIXED ASSETS

	Plant and machinery £
Cost	
At 1 January 2009 and 31 December 2009	14,622
Depreciation	
At 1 January 2009	305
Charge for the year	3,656
At 31 December 2009	3,961
Net book value	
At 31 December 2009	10,661
At 31 December 2008	14,317

5. DEBTORS

	2009 £	2008 £
Trade debtors	194,523	363,306
Amounts owed by group undertakings	40,656	186,529
Other debtors	704	101
Amounts recoverable on long term contracts	215,401	322,667
Tax recoverable	-	52,226
	451,284	924,829

**6 CREDITORS.
Amounts falling due within one year**

	2009 £	2008 £
Bank loans and overdrafts	338,418	686,853
Payments received on account	-	15,852
Trade creditors	85,627	186,723
Amounts owed to group undertakings	27,707	4,783
Corporation tax	7,316	-
Social security and other taxes	12,266	57,046
Other creditors	18,051	32,060
	489,385	983,317

The bank overdraft is secured by an unlimited company composite guarantee

FAIRPORT SITE OPERATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

7. SHARE CAPITAL

	2009 £	2008 £
Allotted, called up and fully paid		
100 Ordinary Shares shares of £1 each	<u>100</u>	<u>100</u>

8. RESERVES

	Profit and loss account £
At 1 January 2009	(44,271)
Profit for the year	16,731
	<u>(27,540)</u>
At 31 December 2009	

9 RELATED PARTY TRANSACTIONS

There have been various transactions throughout the year with other group companies. However, as the company is included in the group consolidated accounts and these accounts are publicly available, the company has taken advantage of the exemption allowed by FRS 8 and has not disclosed transactions with other group companies.

During the year the company had the following additional related party transactions:

Fairport Engineering Limited, a company of which P Fitton was a director in the year. Sales of £313,642 (2008 £312,557) were made to this company. Year end debtor of £NIL (2008 £194,289).

Orchid Environmental Limited, a company of which P Fitton was a director in the year. Sales of £78,924 (2008 £34,867). Year end debtor of £27,723 (2008 £NIL).

P Fitton was a director of this company in the prior year and of the parent company in the year.

10. PENSION COSTS

The company participates in the group defined benefit pension scheme, for the benefit of directors and participating employees. All the assets are invested in insurance policies with Norwich Union Life Insurance Society, the trustees having effected a contract in respect of each member which guarantees benefits corresponding at all times to those promised under the rules. The amount charged in the profit and loss account for the year was £XXXXXXX (2008 £8,147).

More than one employer participates in the scheme and the company is unable to identify its share of the underlying asset and liabilities. At 31 December 2009 the total scheme had a surplus of £XXXXXXXX after tax based on the methodology applied for FRS17.

FAIRPORT SITE OPERATIONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

11. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The parent undertaking of the largest and smallest groups for which consolidated accounts are prepared is Fairport Engineering Group Limited. Consolidated accounts are available from Companies House, Cardiff, CF14 3UZ.

In the opinion of the directors the company is controlled by Fairport Engineering Group Limited and the ultimate controlling party is A Lees.

12. GOING CONCERN

At 31 December 2009 the company had net liabilities of £27,440.

The parent company, Fairport Engineering Group Limited, has confirmed that it will continue to provide support for the foreseeable future.

Accordingly the accounts have been prepared on the going concern basis.