

Annual Report and Accounts
for the year ended 30 September 2020
for
SUMMERWAY SUBCO LIMITED

Registered No. 11565845



SUMMERWAY SUBCO LIMITED
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For the year ended 30 September 2020

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SUMMERWAY SUBCO LIMITED
Company Information
For the Year Ended 30 September 2020
DIRECTORS, SECRETARY AND ADVISERS

Directors	Mark Farniloe David Firth
Company Secretary	Cheryl Warren
Registered Office	32-33 Cowcross Street London EC1M 6DF
Registered Number	11565845

SUMMERWAY SUBCO LIMITED
Report of the Directors
For the year ended 30 September 2020

The Directors of Summerway Subco Limited present their report for the year ended 30 September 2020.

PRINCIPAL ACTIVITY

Summerway Subco Limited ("Summerway") was incorporated on 12 September 2018. Summerway is a wholly owned subsidiary of Summerway Capital Plc.

Summerway has not traded in the year and there have been no transactions.

REVIEW OF BUSINESS AND RESULTS FOR THE YEAR

The Company was dormant throughout the financial year.

IMPACT OF COVID - 19

As described in note 12 the World Health Organisation ("WHO") officially declared the coronavirus ("COVID-19") outbreak a global pandemic on 11 March 2020. As the Company has no trading activity there has been no impact at the time of signing these financial statements.

DIRECTORS

The Directors who held office during the year and their beneficial interest in the share capital of the Company at 30 September 2020 were as follows:

	<i>30 September 2020</i> <i>B ordinary shares</i>
Mark Farmiloe	333,333
David Firth	-

DIVIDENDS

No dividends were paid during the year or declared as at the date of this report.

RISK MANAGEMENT

Whilst Summerway remains dormant the Directors will regularly review the company's risk exposure and will takes steps to mitigate these risks and make disclosures and recommendations accordingly.

FUTURE DEVELOPMENTS

The Directors expect Summerway to remain dormant until such time as the incentive arrangements are changed or mature.

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 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 Group and Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group 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.

ON BEHALF OF THE BOARD

David S P Firth

David Firth
Director
10 November 2020

SUMMERWAY SUBCO LIMITED
Statement of Comprehensive Income
For the year ended 30 September 2020

The company has not traded during the current and prior period. During the current and prior period the company received no income and incurred no expenditure and therefore made neither profit nor loss.

The notes form part of these financial statements

SUMMERWAY SUBCO LIMITED

(Company Number – 11565845)

Statement of Financial Position

As at 30 September 2020

		As at 30 September 2020	As at 30 September 2019
	Note		
		£	£
Assets			
Current assets			
Other receivables	7	12,000	12,000
Total current assets		12,000	12,000
Total assets		12,000	12,000
Net Assets		12,000	12,000
Capital and reserves attributable to equity holders			
Share capital	8	10,000	10,000
Share premium reserve		2,000	2,000
Total Equity		12,000	12,000

For the year ending 30 September 2020 the company was entitled to exemption under section 480 of the Companies Act 2006 relating to dormant companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The functional and presentational currency of the company is Sterling. The accounts are rounded to the nearest pound.

The financial statements were approved by the Board of Directors on 10 November 2020 and were signed on its behalf by:

David S P Firth

David Firth - Director

The notes form part of these financial statements

SUMMERWAY SUBCO LIMITED
Statement of Changes in Equity
For the year ended 30 September 2020

	Share capital	Share premium reserve	Total equity
	£	£	£
Issue of ordinary shares	10,000	2,000	12,000
Balance as at			
30 September 2019 and 2020	10,000	2,000	12,000

The notes form part of these financial statements

SUMMERWAY SUBCO LIMITED
Notes to the Financial Statements
For the year ended 30 September 2020

1. GENERAL INFORMATION

Summerway Subco Limited is incorporated in England and Wales and domiciled in the United Kingdom (company number: 11565845). The address of the registered office is 32-33 Cowcross Street, London EC1M 6DF. The Company is a wholly owned subsidiary of Summerway Capital Plc (company number: 11545912).

The Company did not trade during the year.

2. BASIS OF PREPARATION

These financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101"). In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with the Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The Company's ultimate parent undertaking, Summerway Capital Plc includes the results, assets and liabilities of the Company in its consolidated financial statements. The consolidated financial statements of Summerway Capital Plc are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from Summerway Capital Plc's registered office noted above or at www.summerwaycapital.co.uk.

In preparing these financial statements the Company has taken advantage of disclosure exemptions conferred by FRS 101. Therefore, these financial statements do not include certain comparative information as otherwise required by EU endorsed IFRS:

- certain disclosures regarding the Company's capital;
- a statement of cash flows and related notes;
- the effect of future accounting standards not yet adopted;
- the disclosure of the remuneration of key management personnel; and
- disclosure of related party transactions with other wholly owned members of the Group.

In addition, and in accordance with FRS 101 further disclosure exemptions have been adopted because equivalent disclosures are included in the consolidated financial statements of Summerway Capital Plc. These financial statements do not include certain disclosures in respect of:

- disclosures required in relation to financial instruments and capital management.

Under section 414B of the Companies Act 2006 the Company is exempt from the requirement to prepare a Strategic Report.

The Company proposes to continue to adopt the reduced disclosure framework of FRS 101 in its next financial statements.

The financial statements have been prepared under the historical cost convention.

The financial statements are presented in Pounds Sterling. All amounts, unless otherwise stated, have been rounded to the nearest Pound.

The preparation of financial statements in compliance with the standards above requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying those accounting policies. The areas where significant judgements and estimates have been made in preparing these financial statements and their effect are disclosed in Note 4.

The principal accounting policies adopted in the preparation of the financial statements are set out below. The policies have been consistently applied to all periods presented, unless otherwise stated.

3. PRINCIPAL ACCOUNTING POLICIES

GOING CONCERN

The Directors are satisfied that the Company has adequate resources to continue in business for the foreseeable future, as the Company does not have any trading activity, the Directors do not expect COVID-19 to have any impact on the ability of the Company to continue as a going concern. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

TAXATION

The charge for taxation is based on the result for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

CURRENT VERSUS NON-CURRENT CLASSIFICATION

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- expected to be realised or intended to be sold or consumed in the normal operating cycle; or
- held primarily for the purpose of trading; or
- expected to be realised within twelve months after the reporting period; or
- cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets are classified as non-current.

A liability is current when:

- it is expected to be settled in the normal operating cycle; or
- it is held primarily for the purpose of trading; or
- it is due to be settled within twelve months after the reporting period; or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting date.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

FINANCIAL INSTRUMENTS

Financial assets and liabilities are recognised in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument. The Company's financial instruments comprise cash, trade and other receivables and trade and other payables.

Group and other receivables

Group and other receivables are initially measured at fair value plus transaction costs.

Impairment of financial assets

An impairment loss is recognised for the expected credit losses on financial assets when there is an increased probability that the counterparty will be unable to settle an instrument's contractual cash flows on the contractual due dates, a reduction in the amounts expected to be recovered, or both. The probability of default and expected amounts recoverable are assessed using reasonable and supportable past and forward-looking information that is available without undue cost or effort.

Impairment losses and any subsequent reversals of impairment losses are adjusted against the carrying amount of the receivable and are recognised in profit or loss.

Financial liabilities and equity

Financial liabilities are obligations to pay cash or other financial assets and are recognised when the Company becomes a party to the contractual provisions of the instrument.

Trade, group and other payables

Trade, group and other payables are initially measured at fair value, net of direct transaction costs and subsequently measured at amortised cost.

Derecognition of financial assets (including write-offs) and financial liabilities

A financial asset (or part thereof) is derecognised when the contractual rights to cash flows expire or are settled, or when the contractual rights to receive the cash flows of the financial asset and substantially all the risks and rewards of ownership are transferred to another party.

When there is no reasonable expectation of recovering a financial asset it is derecognised ('written off'). The gain or loss on derecognition of financial assets measured at amortised cost is recognised in profit or loss.

A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

EQUITY

An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the Company are recorded at fair value on initial recognition net of transaction costs.

Equity comprises the following:

- Called up share capital represents the nominal value of the equity shares;
- Share premium represents the excess over nominal value of the fair value of consideration received from the equity shares, net of expenses of the share issue;
- Retained earnings represent accumulated net gains and losses from incorporation recognised in the Statement of Comprehensive Income

4. CRITICAL JUDGEMENTS AND ACCOUNTING ESTIMATES

The Company makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual expenditure may differ from these estimates and assumptions.

5. EMPLOYEES AND DIRECTORS

The average monthly number of employees during the year, including the Directors, was 2 (2019: 2).

Key management personnel

The Directors are currently considered to be the key management personnel of the Company. The Directors received no remuneration or benefits from the Company during the year and prior period. There were no pension contributions paid on behalf of the Directors.

6. TAXATION

No charge to tax arose during the year or prior period as the Company neither traded nor incurred a profit or loss during the year or prior period.

7. OTHER RECEIVABLES

All receivables are current. There is no material difference between the book value and the fair value of receivables.

	As at 30 September 2020	As at 30 September 2019
	£	£
Amounts due from parent company	12,000	12,000
	12,000	12,000

8. CALLED UP SHARE CAPITAL

	Number	A ordinary shares £	B ordinary Shares £	As at 30 September 2020 £
Allotted, issued and not fully paid:				
A ordinary share of 1 pence each	1	-	-	-
B ordinary shares of 1 pence each	999,999	-	10,000	10,000

The A ordinary shares have full voting rights, full rights to participate in a dividend and full rights to participate in a distribution of capital.

The B ordinary shares do not have voting rights. No dividends shall be declared in relation to any of the B ordinary shares without the consent of the Parent company. The B ordinary shares are not to be redeemed and are not liable to be redeemed.

The B ordinary shares have been issued to the Directors to facilitate the Subsidiary Incentive Scheme. Further details of the Subsidiary Incentive Scheme can be found in note 9.

9. SUBSIDIARY INCENTIVE SCHEME

The Directors of Summerway's ultimate holding company established an equity-based incentive arrangement ("Subsidiary Incentive Scheme") as an important means of retaining, attracting and motivating key employees and contractors, and also for aligning their interests with those of Shareholders of Summerway Capital Plc.

The Subsidiary was incorporated to implement the Subsidiary Incentive Scheme.

Under the Subsidiary Incentive Scheme, participants are only rewarded if a predetermined level of Shareholder value in Summerway Capital Plc is created over a three-year period, a five-year period, or upon a change of control of Summerway Capital Plc (whichever occurs first), which is calculated by reference to the growth in market capitalisation of Summerway Capital Plc, following adjustments for the issue of any new Ordinary Shares by Summerway Capital Plc and taking into account dividends paid by and capital returns made by Summerway Capital Plc.

Participants will be entitled to 10 per cent. of the shareholder value created, subject to such shareholder value having increased by 13.5 per cent. per annum compounded over a period of between three and five years from 19 October 2018 or following a change of control of the Summerway Capital Plc or Summerway Subco Limited. The Subsidiary Incentive Scheme is now closed, and the directors do not anticipate making any further grants under the Subsidiary Incentive Scheme.

Further details of the terms of the Subsidiary Incentive Scheme can be found on pages 42 and 43 of the Summerway Capital Plc's Placing and Admissions document published on 16 October 2018.

10. COMMITMENTS AND CONTINGENT LIABILITIES

There were no commitments or contingent liabilities outstanding at 30 September 2020 that require disclosure or adjustment in these financial statements.

11. RELATED PARTY TRANSACTIONS

The company is a wholly owned subsidiary of Summerway Capital Plc and, in accordance with the exemption conferred under FRS 101, transactions with wholly-owned group companies are not disclosed in these financial statements.

During the prior period, 333,333 B ordinary shares were issued to Mark Farmiloe, a Director of the Company, under the Subsidiary Incentive Scheme described in note 9.

12. IMPACT OF COVID-19

The World Health Organisation (“WHO”) officially declared the coronavirus (“COVID-19”) outbreak a global pandemic on 11 March 2020. As the Company has no trading activity there has been no impact at the time of signing these financial statements.

13. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

The Company is a subsidiary of Summerway Capital Plc, the ultimate parent company. Both companies are incorporated in England and Wales. The largest group in which the results of the Company are included is that headed by Summerway Capital Plc. Copies of the consolidated financial statements of Summerway Capital Plc can be obtained from Summerway Capital Plc’s registered office (see note 1) or at www.summerwaycapital.co.uk.