

**COMPANY REGISTRATION NUMBER: 02515670**

**MIDDLEGATE (EUROPE) LIMITED**  
**FILLETED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 December 2021**

# MIDDLEGATE (EUROPE) LIMITED

## STATEMENT OF FINANCIAL POSITION

31 December 2021

		2021	2020
			<i>(restated)</i>
	Note	£	£
<b>Fixed Assets</b>			
Tangible assets	6	1,874,818	1,950,854
Investments	7	100	100
		<u>1,874,918</u>	<u>1,950,954</u>
<b>Current Assets</b>			
Stocks		15,830	18,093
Debtors	8	2,206,413	2,125,226
Cash at bank and in hand		8,547	136,657
		<u>2,230,790</u>	<u>2,279,976</u>
<b>Creditors: amounts falling due within one year</b>	9	<u>( 2,745,133)</u>	<u>( 2,457,923)</u>
<b>Net Current Liabilities</b>		<u>( 514,343)</u>	<u>( 177,947)</u>
<b>Total Assets Less Current Liabilities</b>		<u>1,360,575</u>	<u>1,773,007</u>
<b>Creditors: amounts falling due after more than one year</b>	10	( 830,262)	( 1,229,429)
<b>Provisions</b>		<u>( 51,140)</u>	<u>( 73,470)</u>
<b>Net Assets</b>		<u>479,173</u>	<u>470,108</u>

# MIDDLEGATE (EUROPE) LIMITED

## STATEMENT OF FINANCIAL POSITION *(continued)*

31 December 2021

		2021		2020	
				<i>(restated)</i>	
	Note	£	£	£	£
<b>Capital and Reserves</b>					
Called up share capital			1,000		1,000
Profit and loss account			478,173		469,108
			-----		-----
<b>Shareholder Funds</b>			479,173		470,108
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These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

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

These financial statements were approved by the board of directors and authorised for issue on 7 September 2022 , and are signed on behalf of the board by:

Mr K Notman Director

Company registration number: 02515670

# **MIDDLEGATE (EUROPE) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2021**

### **1. General Information**

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Marfleet Environmental Technology Park, Westgate Way, Hedon Road, Hull, East Yorkshire, HU9 5LW.

### **2. Statement of Compliance**

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

### **3. Accounting Policies**

#### **Basis of Preparation**

The financial statements have been prepared on the historical cost basis. The financial statements are prepared in sterling, which is the functional currency of the entity.

#### **Foreign Currency Policy**

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

#### **Going Concern**

Although the company has net current liabilities it has operated on this basis for a number of years. The directors consider that sufficient working capital facility is in place and that support from group companies will be available to allow the company to continue trading effectively. For this reason the directors consider that it is appropriate for the financial statements to be prepared on a going concern basis.

#### **Disclosure Exemptions**

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of Notman Enterprise Limited which can be obtained from the registered office. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102: (a) No cash flow statement has been presented for the company. (b) Disclosures in respect of financial instruments have not been presented. (c) No disclosure has been given for the aggregate remuneration of key management personnel.

**Consolidation**

The company has taken advantage of the option not to prepare consolidated financial statements contained in Section 398 of the Companies Act 2006 on the basis that the company and its subsidiary undertakings comprise a small group.

**Judgements and Key Sources of Estimation Uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows: Tangible fixed assets are stated at cost less depreciation and any impairments. Depreciation takes place over the estimated useful life down to the assessed residual value. The carrying amount of the fixed assets is tested as soon as changed conditions indicate that a need for impairment has arisen.

**Revenue Recognition**

The turnover shown in the profit and loss account represents the amount due (excluding VAT) for services provided during the period. Haulage and forwarding turnover is recognised at the time of shipping. Income from warehousing is recognised in the period to which it relates.

**Taxation**

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date. Deferred tax is recognised in respect of all material timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

**Operating Leases**

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

## **Tangible Assets**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

### **Depreciation**

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	-	2% straight line
Short leasehold property	-	20% straight line
Machinery and equipment	-	15-25% straight line
Furniture and plant	-	15-25% straight line

### **Investments**

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

### **Impairment of Fixed Assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs.

## **Stocks**

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

## **Finance Leases and Hire Purchase Contracts**

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset. Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

## **Government Grants**

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

## **Financial Instruments**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

## **Defined Contribution Plans**

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

## **4. Employee Numbers**

The average number of persons employed by the company during the year amounted to 59 (2020: 72 ).

## **5. Tax on (Loss)/Profit**

### **Major components of tax (income)/expense**

	<b>2021</b>	<b>2020</b>
		<b>(restated)</b>
	<b>£</b>	<b>£</b>
<b>Current tax:</b>		
UK current tax expense	7,941	13,425

**Deferred tax:**

Origination and reversal of timing differences	( 22,330)	13,780
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<b>Tax on (loss)/profit</b>	<b>( 14,389)</b>	<b>27,205</b>
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**6. Tangible Assets**

	Freehold property £	Short leasehold property £	Machinery and equipment £	Furniture and plant £	Total £
<b>Cost</b>					
At 1 January 2021 (as restated)	1,819,503	30,179	357,353	710,294	2,917,329
Additions	28,374	3,017	23,794	26,734	81,919
Disposals	—	—	( 16,829)	( 83,170)	( 99,999)
<b>At 31 December 2021</b>	<b>1,847,877</b>	<b>33,196</b>	<b>364,318</b>	<b>653,858</b>	<b>2,899,249</b>
<b>Depreciation</b>					
At 1 January 2021	210,893	19,702	165,899	569,981	966,475
Charge for the year	15,130	4,742	52,358	59,442	131,672
Disposals	—	—	—	( 73,716)	( 73,716)
<b>At 31 December 2021</b>	<b>226,023</b>	<b>24,444</b>	<b>218,257</b>	<b>555,707</b>	<b>1,024,431</b>
<b>Carrying amount</b>					
<b>At 31 December 2021</b>	<b>1,621,854</b>	<b>8,752</b>	<b>146,061</b>	<b>98,151</b>	<b>1,874,818</b>
At 31 December 2020	1,608,610	10,477	191,454	140,313	1,950,854

Included within freehold property cost is £9,020 for capitalised finance costs.

**Capital commitments**

	2021 £	2020 £
Contracted for but not provided for in the financial statements	—	18,829

**7. Investments**

	Shares in group undertakings £
<b>Cost</b>	
At 1 January 2021 as restated and 31 December 2021	10,050
<b>Impairment</b>	
At 1 January 2021 as restated and 31 December 2021	9,950



**Carrying amount**

<b>At 31 December 2021</b>	100
At 31 December 2020	100

Shares in group companies relates to a dormant subsidiary.

**8. Debtors**

	<b>2021</b>	2020 <i>(restated)</i>
	£	£
Trade debtors	1,921,126	1,918,241
Amounts owed by group undertakings	16,803	9,675
Other debtors	268,484	197,310
	<u>2,206,413</u>	<u>2,125,226</u>

**9. Creditors: amounts falling due within one year**

	<b>2021</b>	2020 <i>(restated)</i>
	£	£
Bank loans and overdrafts	30,721	17,500
Trade creditors	946,568	867,075
Amounts owed to group undertakings	585,309	513,028
Corporation tax	7,941	13,425
Social security and other taxes	57,655	49,633
Other creditors	1,116,939	997,262
	<u>2,745,133</u>	<u>2,457,923</u>

Included in creditors is an amount of £859,062 (2020-£874,441) due under a debtor finance arrangement. This amount is secured against the trade debtors.

**10. Creditors: amounts falling due after more than one year**

	<b>2021</b>	2020 <i>(restated)</i>
	£	£
Bank loans and overdrafts	102,500	132,500
Amounts owed to group undertakings	727,762	1,096,929
	<u>830,262</u>	<u>1,229,429</u>

Included within the amount owed to group undertakings are installments totalling £58,348 (2020-£190,166) which are repayable after more than five years.

### 11. Prior Period Adjustments

During the year the directors reviewed the depreciation policies and amended them to take account of residual values which they believe to be more appropriate. At the same time they reviewed the split of land and buildings and performed a prior year adjustment on the depreciation previously charged on the revised land element. The effect is to uplift the prior year assets by £64,000.

### 12. Operating Leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2021	2020
		<i>(restated)</i>
	£	£
Not later than 1 year	350,656	493,365
Later than 1 year and not later than 5 years	472,831	823,487
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	823,487	1,316,852
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### 13. Summary Audit Opinion

The auditor's report for the year dated 21 September 2022 was unqualified .

The senior statutory auditor was Robert Anderson , for and on behalf of Streets Audit LLP .

### 14. Directors' Advances, Credits and Guarantees

During the year the directors entered into the following advances and credits with the company:

	2021			
	Balance brought forward	Advances/ (credits) to the directors	Amounts repaid	Balance outstanding
	£	£	£	£
Mr K Notman	—	—	—	—
Mrs L J Notman	423	—	( 423)	—
	-----	-----	-----	-----
	423	—	( 423)	—
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	2020			
	Balance brought forward	Advances/ (credits) to the directors	Amounts repaid	Balance outstanding
	£	£	£	£
Mr K Notman	8,000	—	( 8,000)	—
Mrs L J Notman	—	423	—	423
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	8,000	423	( 8,000)	423
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The balances were interest free and repayable on demand.

**15. Controlling Party**

The company is controlled by the director Mr K Notman by virtue of his controlling interest in the ultimate parent company. The immediate parent company is Middlegate Europe NV, a company registered in Belgium. The ultimate parent company is Notman Enterprise Limited, a company registered in England at Marfleet Environmental Technology Park, Westgate Way, Hedon Road, Hull. That company prepares consolidated group accounts.

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