

Company Registration No. 03196639 (England and Wales)

EAST MIDLANDS HOLDINGS LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MAY 2018



EAST MIDLANDS HOLDINGS LIMITED

COMPANY INFORMATION

Directors	K P Bingham E K Lovely
Secretary	K P Bingham
Company number	03196639
Registered office	Laughton Lane Morton Gainsborough Lincolnshire DN21 3ET
Auditor	RSM UK Audit LLP Chartered Accountants Central Square 5th Floor 29 Wellington Street Leeds LS1 4DL

EAST MIDLANDS HOLDINGS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MAY 2018

The directors present the strategic report for the year ended 31 May 2018.

Review of the business

The company operates as an intermediary holding company. As such, during the year the company received dividends from its subsidiary and paid out the same amount in dividends to its parent company.

Risks and uncertainties

As the company acts as an intermediary holding company and pays out the same amount of dividends it receives, there are no specific risks and uncertainties relevant to the company.

Key performance indicators

As the company acts as an intermediary holding company and pays out the same amount of dividends it receives, there are no key performance indicators relevant to the company.

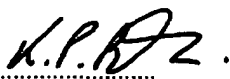
Financial instruments

As the company acts as an intermediary holding company and pays out the same amount of dividends it receives, the only financial instruments held by the company are intercompany balances.

Future developments

The company will continue to operate as an intermediary holding company.

By order of the board


.....
K P Bingham
Secretary
Date: 11.6.19

EAST MIDLANDS HOLDINGS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MAY 2018

The directors present their annual report and financial statements for the year ended 31 May 2018.

Principal activities

The principal activity of the company during the year was the holding of investments in other group companies.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

D S Bingham	(Resigned 6 July 2018)
K P Bingham	
M P Bingham	(Resigned 31 July 2018)
E K Lovely	
K Hewling	(Resigned 29 March 2018)
J Willcock	(Resigned 31 May 2018)

Results and dividends

The results for the year are set out on page 6.

Ordinary dividends were paid amounting to £160,672. The directors do not recommend payment of a final dividend.

Qualifying third party indemnity provisions

The company has made qualifying third party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

Auditor

RSM UK Audit LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting.

Strategic report

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of future developments and financial instruments.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, each director has taken all the necessary steps that they ought to have taken as a director in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

By order of the board



K P Bingham
Secretary

Date: 11.6.19

EAST MIDLANDS HOLDINGS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 MAY 2018

The directors are responsible for preparing the Strategic Report and 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 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EAST MIDLANDS HOLDINGS LIMITED

Opinion

We have audited the financial statements of East Midlands Holdings Limited (the 'company') for the year ended 31 May 2018 which comprise the Income Statement, the Statement of Financial Position, the Statement of Changes in Equity and 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 FRS 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 May 2018 and of its profit 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 Auditor's 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

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.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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 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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EAST MIDLANDS HOLDINGS LIMITED (CONTINUED)

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 and the directors' report.

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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 3, the directors are 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 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, the directors are 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 an auditor's report 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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 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.

RSM UK Audit LLP

Daniel Varley (Senior Statutory Auditor)

For and on behalf of RSM UK Audit LLP, Statutory Auditor

Chartered Accountants

Central Square

5th Floor

29 Wellington Street

Leeds

LS1 4DL

12 June 2019

EAST MIDLANDS HOLDINGS LIMITED

INCOME STATEMENT


FOR THE YEAR ENDED 31 MAY 2018

	Notes	2018 £	2017 £
Income from shares in group undertakings	4	160,672	251,000
Profit on ordinary activities before taxation		160,672	251,000
Taxation	5	-	-
Profit for the financial year	12	160,672	251,000

EAST MIDLANDS HOLDINGS LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 31 MAY 2018**

	Notes	2018 £	£	2017 £	£
Fixed assets					
Investments	7		150,000		150,000
Current assets					
Debtors	9	517,424		356,752	
Creditors: amounts falling due within one year	10	(471,672)		(311,000)	
Net current assets			45,752		45,752
Total assets less current liabilities			195,752		195,752
Capital and reserves					
Called up share capital	11		62,500		62,500
Share premium account	12		39,732		39,732
Capital redemption reserve	12		93,520		93,520
Profit and loss reserves	12		-		-
Total equity			195,752		195,752

The financial statements were approved by the board of directors and authorised for issue on 11.6.19 and are signed on its behalf by:


 K P Bingham
 Director

EAST MIDLANDS HOLDINGS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MAY 2018

	Notes	Share capital £	Share premium account £	Capital redemption reserve £	Profit and loss reserves £	Total £
Balance at 1 June 2016		62,500	39,732	93,520	-	195,752
Year ended 31 May 2017:						
Profit and total comprehensive income for the year		-	-	-	251,000	251,000
Dividends	6	-	-	-	(251,000)	(251,000)
Balance at 31 May 2017		62,500	39,732	93,520	-	195,752
Year ended 31 May 2018:						
Profit and total comprehensive income for the year		-	-	-	160,672	160,672
Dividends	6	-	-	-	(160,672)	(160,672)
Balance at 31 May 2018		62,500	39,732	93,520	-	195,752

EAST MIDLANDS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2018

1 Accounting policies

Company information

East Midlands Holdings Limited ("the company") is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is Laughton Lane, Morton, Gainsborough, Lincolnshire, DN21 3ET.

The company's principal activities and nature of its operations are disclosed in the Directors' Report.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Reduced disclosures

In accordance with FRS 102, the company has taken advantage of the exemptions from the following disclosure requirements;

- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cash Flow and related notes and disclosures
- Section 11 'Basic Financial Instruments' & Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument
- Section 33 'Related Party Disclosures' – Compensation for key management personnel

The financial statements of the company are consolidated in the financial statements of EMIC Group Limited. The consolidated financial statements of EMIC Group Limited are available from the Registrar of Companies, Crown Way, Cardiff, CF14 3UZ.

Consolidated financial statements

The company has taken advantage of the exemption in section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements. Consequently, these financial statements present the financial position and financial performance of the company as a single entity.

Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Other income

Dividend income

Dividend income from investments in subsidiaries is recognised when the company's right to receive payment is established.

EAST MIDLANDS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2018

1 Accounting policies (Continued)

Fixed asset investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include amounts due from group undertakings, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. 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 profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

EAST MIDLANDS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2018

1 Accounting policies (Continued)

Basic financial liabilities

Basic financial liabilities, including amounts due to group undertakings, 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 payments discounted at a market rate of interest.

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

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

Equity instruments

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of direct issue costs.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Taxable profit differs from total comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Dividends

Dividends are recognised as liabilities once they are no longer at the discretion of the company.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

EAST MIDLANDS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2018

2 Judgements and key sources of estimation uncertainty (Continued)

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Recoverability of amounts due from group undertakings

The company makes an estimate of the recoverable value of amounts due from group undertakings. When assessing impairment of amounts due from group undertakings, management considers factors including the trading performance and financial position of the group undertaking, the ageing profile of the balance and historical experience. See note 9 for the carrying amount of amounts due from group undertakings.

3 Operating profit

The audit fee of the company is borne by East Midlands Instrument Company Limited, a subsidiary of the company.

4 Interest receivable and similar income

	2018 £	2017 £
Income from fixed asset investments		
Income from shares in group undertakings	160,672	251,000
	<u>160,672</u>	<u>251,000</u>
Disclosed on the income statement as follows:		
Income from shares in group undertakings	160,672	251,000
	<u>160,672</u>	<u>251,000</u>

5 Taxation

The total tax charge for the year included in the income statement can be reconciled to the profit before tax multiplied by the standard rate of tax as follows:

	2018 £	2017 £
Profit before taxation	160,672	251,000
	<u>160,672</u>	<u>251,000</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2017: 19.83%)	30,528	49,781
Dividend income	(30,528)	(49,781)
	<u>-</u>	<u>-</u>
Tax expense for the year	-	-

EAST MIDLANDS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2018

6 Dividends

	2018 per share	2017 per share	2018 £	2017 £
Ordinary shares				
Final paid	-	1.14	-	71,333
Interim paid	2.57	2.87	160,672	179,667
	<u>2.57</u>	<u>4.01</u>	<u>160,672</u>	<u>251,000</u>

7 Fixed asset investments

	Notes	2018 £	2017 £
Investments in subsidiaries	8	<u>150,000</u>	<u>150,000</u>

Movements in fixed asset investments

	Shares £
Cost	
At 1 June 2017 & 31 May 2018	<u>150,000</u>
Carrying amount	
At 31 May 2018	<u>150,000</u>
At 31 May 2017	<u>150,000</u>

8 Subsidiaries

These financial statements are separate company financial statements for East Midlands Holdings Limited.

Separate company financial statements are required to be prepared by law. Consolidated financial statements for EMIC Group Limited, the ultimate parent, are prepared and publicly available.

Details of the company's subsidiaries at 31 May 2018 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct Indirect
East Midlands Instrument Company Limited	Laughton Lane, Morton, Gainsborough, Lincolnshire, DN21 3ET	Manufacturing	Ordinary	100.00 -

The investment in the subsidiary is stated at cost.

EAST MIDLANDS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2018

9 Debtors

	2018	2017
	£	£
Amounts falling due within one year:		
Amounts due from group undertakings	517,424	356,752

10 Creditors: amounts falling due within one year

	2018	2017
	£	£
Amounts due to group undertakings	471,672	311,000

11 Share capital

	2018	2017
	£	£
Ordinary share capital		
Issued and fully paid		
62,500 Ordinary shares of £1 each	62,500	62,500
	<u>62,500</u>	<u>62,500</u>

Ordinary share rights

The company's ordinary shares, which carry no right to fixed income, each carry the right to one vote at general meetings of the company.

12 Reserves

Share premium

Consideration received for shares issued above their nominal value net of transaction costs.

Capital redemption reserve

The nominal value of shares cancelled at the end of the reporting period.

Profit and loss reserves

Cumulative profit and loss net of distributions to owners.

13 Financial commitments, guarantees and contingent liabilities

The company has given a cross guarantee in favour of Yorkshire Bank in respect of all monies owing by East Midlands Instrument Company Limited. The maximum liability at 31 May 2018 was £1,197,444. It is not expected that the company will have to incur this liability on behalf of East Midlands Instrument Company Limited.

EAST MIDLANDS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2018

14 Controlling party

By virtue of its 100% shareholding in the company, EMIC Group Limited, a company registered in England, is considered to be the immediate and ultimate parent company.

The smallest and largest group for which consolidated financial statements are prepared is that headed by EMIC Group Limited. Copies of EMIC Group Limited financial statements are available from the Registrar of Companies, Crown Way, Cardiff, CF14 3UZ.