

MDW (Europe) Limited
Filleted Abridged Financial Statements
31 August 2021



MDW (Europe) Limited
Abridged Financial Statements
Year ended 31 August 2021

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MDW (Europe) Limited
Abridged Statement of Financial Position
31 August 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	5	2,221,301	2,042,491
Current assets			
Stocks		14,329	13,111
Debtors		1,404,948	1,327,713
Cash at bank and in hand		232,857	288,020
		<u>1,652,134</u>	<u>1,628,844</u>
Creditors: amounts falling due within one year		<u>5,101,107</u>	<u>4,805,152</u>
Net current liabilities		<u>3,448,973</u>	<u>3,176,308</u>
Total assets less current liabilities		<u>(1,227,672)</u>	<u>(1,133,817)</u>
Creditors: amounts falling due after more than one year		<u>202,600</u>	<u>48,496</u>
Net liabilities		<u>(1,430,272)</u>	<u>(1,182,313)</u>
Capital and reserves			
Called up share capital		2	2
Profit and loss account		<u>(1,430,274)</u>	<u>(1,182,315)</u>
Shareholder deficit		<u>(1,430,272)</u>	<u>(1,182,313)</u>

These abridged 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 abridged 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 abridged financial statements.

All of the members have consented to the preparation of the abridged statement of income and retained earnings and the abridged statement of financial position for the year ending 31 August 2021 in accordance with Section 444(2A) of the Companies Act 2006.

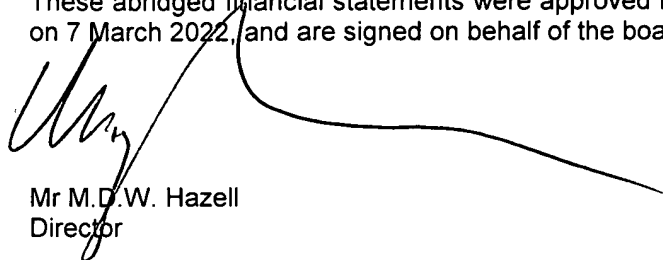
The abridged statement of financial position
continues on the following page.
The notes on pages 3 to 7 form part of these abridged financial statements.

MDW (Europe) Limited

Abridged Statement of Financial Position *(continued)*

31 August 2021

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



Mr M.D.W. Hazell
Director

Company registration number: 04466321

The notes on pages 3 to 7 form part of these abridged financial statements.

MDW (Europe) Limited

Notes to the Abridged Financial Statements

Year ended 31 August 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 Nash Road, Newport, NP18 2BS.

2. Statement of compliance

These abridged 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 accounts have been prepared on the going concern basis. The directors have reviewed the financial position of the company including projections for future trading and obtained suitable assurances from the lenders.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that it is probable the expenses recognised will be recovered.

Income tax

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 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.

MDW (Europe) Limited

Notes to the Abridged Financial Statements *(continued)*

Year ended 31 August 2021

3. Accounting policies *(continued)*

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

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:

Plant and machinery	- 10% straight line
Fixtures and fittings	- 20% straight line
Equipment	- 25% straight line

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. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

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.

MDW (Europe) Limited

Notes to the Abridged Financial Statements *(continued)*

Year ended 31 August 2021

3. Accounting policies *(continued)*

Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the abridged 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.

Government grants are recognised using the accrual model and the performance model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset.

Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

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.

MDW (Europe) Limited

Notes to the Abridged Financial Statements *(continued)*

Year ended 31 August 2021

3. Accounting policies *(continued)*

Defined contribution plans *(continued)*

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 20 (2020: 22).

5. Tangible assets

	£
Cost	
At 1 September 2020	4,568,109
Additions	656,871
Disposals	(1,118,783)
At 31 August 2021	<u>4,106,197</u>
Depreciation	
At 1 September 2020	2,525,618
Charge for the year	314,213
Disposals	(954,935)
At 31 August 2021	<u>1,884,896</u>
Carrying amount	
At 31 August 2021	<u>2,221,301</u>
At 31 August 2020	<u>2,042,491</u>

6. Contingencies

A charge and cross guarantee with MDW Holdings Limited registered on 1st October 2015 by Barclays Bank Plc provides a fixed and floating charge over the company's property and assets present and future on all monies due or to become due from the company to the chargee on any account whatsoever.

7. Summary audit opinion

The auditor's report for the year dated 7 March 2022 was unqualified.

The senior statutory auditor was Mr D.R. Thomas FCA, for and on behalf of Haasco Limited.

MDW (Europe) Limited

Notes to the Abridged Financial Statements *(continued)*

Year ended 31 August 2021

8. 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 £	Balance outstanding £
Mr M.D.W. Hazell	<u>(2,599,915)</u>	<u>(449,777)</u>	<u>(3,049,692)</u>
	2020		
	Balance brought forward £	Advances/ (credits) to the directors £	Balance outstanding £
Mr M.D.W. Hazell	<u>(2,267,882)</u>	<u>(332,033)</u>	<u>(2,599,915)</u>

9. Related party transactions

The company was under the control of Mr M.D.W. Hazell throughout the period.

The income statement includes the following income from G.D. Environmental Services Limited:

	2021 £	2020 £
Machinery and motor expenses	164,028	381,926
Hire costs (non-operating leases)	75,706	115,752
Metals	12,618	75,314
	<u>252,352</u>	<u>572,992</u>

The income statement includes the following charges from MDW Holdings Limited:

	2021 £	2020 £
Rent	<u>25,000</u>	<u>25,000</u>

No other transactions with related parties were undertaken such as required to be disclosed under Financial Reporting Standard 8

10. Controlling party

The company is a wholly owned subsidiary undertaking of MDW Holdings Limited, a company incorporated in England and Wales.