

**COMPANY REGISTRATION NUMBER: 08816036**

**MIDDLE EAST TRADE COMPANY LIMITED**

**FILLETED UNAUDITED FINANCIAL STATEMENTS**

**31 March 2023**

# **MIDDLE EAST TRADE COMPANY LIMITED**

## **FINANCIAL STATEMENTS**

**Year ended 31 March 2023**

### **CONTENTS**

### **PAGES**

Balance sheet

**1 to 2**

Notes to the financial statements

**3 to 8**

# MIDDLE EAST TRADE COMPANY LIMITED

## BALANCE SHEET

31 March 2023

	Note	2023 £	2022 £
<b>FIXED ASSETS</b>			
Intangible assets	5	59,000	67,000
Tangible assets	6	47,830	69,562
		-----	-----
		106,830	136,562
<b>CURRENT ASSETS</b>			
Debtors	7	173,917	211,053
Cash at bank and in hand		—	25,322
		-----	-----
		173,917	236,375
<b>CREDITORS: amounts falling due within one year</b>	8	( 231,758)	( 302,920)
		-----	-----
<b>NET CURRENT LIABILITIES</b>		( 57,841)	( 66,545)
		-----	-----
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		48,989	70,017
<b>CREDITORS: amounts falling due after more than one year</b>	9	( 35,138)	( 43,096)
<b>PROVISIONS</b>		( 9,254)	( 14,427)
		-----	-----
<b>NET ASSETS</b>		4,597	12,494
		-----	-----
<b>CAPITAL AND RESERVES</b>			
Called up share capital		100	100
Profit and loss account		4,497	12,394
		-----	-----
<b>SHAREHOLDERS FUNDS</b>		4,597	12,494
		-----	-----

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 profit and loss account has not been delivered.

For the year ending 31 March 2023 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476 ;
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements .

# **MIDDLE EAST TRADE COMPANY LIMITED**

## **BALANCE SHEET (continued)**

**31 March 2023**

These financial statements were approved by the board of directors and authorised for issue on 22 February 2024 , and are signed on behalf of the board by:

**Mr I Akhtar**

**Director**

**Company registration number: 08816036**

# MIDDLE EAST TRADE COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**Year ended 31 March 2023**

### **1. GENERAL INFORMATION**

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Cedar House, Hazell Drive, Newport, NP10 8FY. The address of the principle place of business is The Maltings, East Tyndall Street, Cardiff, CF24 5EA.

### **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, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

#### **Turnover**

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

#### **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 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.

#### **Foreign currencies**

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.

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses. Intangible assets acquired as part of a business combination are only recognised separately from goodwill when they arise from contractual or other legal rights, are separable, the expected future economic benefits are probable and the cost or value can be measured reliably.

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Research expenditure is written off in the period in which it is incurred. Development expenditure incurred is capitalised as an intangible asset only when all of the following criteria are met: - It is technically feasible to complete the intangible asset so that it will be available for use or sale; - There is the intention to complete the intangible asset and use or sell it; - There is the ability to use or sell the intangible asset; - The use or sale of the intangible asset will generate probable future economic benefits; - There are adequate technical, financial and other resources available to complete the development and to use or sell the intangible asset; and - The expenditure attributable to the intangible asset during its development can be measured reliably. Expenditure that does not meet the above criteria is expensed as incurred.

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:

Fixtures and fittings	-	25% straight line
Leasehold improvements	-	10% 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.

## **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.

## **Provisions**

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the balance sheet and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

## **Financial instruments**

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 entity after deducting all of its financial liabilities. Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability. Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

## **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. 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 2 (2022: 3 ).



## 5. INTANGIBLE ASSETS

	<b>Development costs</b>
	<b>£</b>
<b>Cost</b>	
At 1 April 2022 and 31 March 2023	110,000
	-----
<b>Amortisation</b>	
At 1 April 2022	43,000
Charge for the year	8,000
	-----
<b>At 31 March 2023</b>	<b>51,000</b>
	-----
<b>Carrying amount</b>	
At 31 March 2023	59,000
	-----
At 31 March 2022	67,000
	-----

## 6. TANGIBLE ASSETS

	<b>Fixtures and fittings</b>	<b>Leasehold improvements</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>			
At 1 April 2022	60,702	79,375	140,077
Additions	3,590	–	3,590
Disposals	( 46,132)	–	( 46,132)
	-----	-----	-----
<b>At 31 March 2023</b>	<b>18,160</b>	<b>79,375</b>	<b>97,535</b>
	-----	-----	-----
<b>Depreciation</b>			
At 1 April 2022	44,718	25,797	70,515
Charge for the year	1,037	7,937	8,974
Disposals	( 29,784)	–	( 29,784)
	-----	-----	-----
<b>At 31 March 2023</b>	<b>15,971</b>	<b>33,734</b>	<b>49,705</b>
	-----	-----	-----
<b>Carrying amount</b>			
At 31 March 2023	2,189	45,641	47,830
	-----	-----	-----
At 31 March 2022	15,984	53,578	69,562
	-----	-----	-----

## 7. DEBTORS

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Trade debtors	141,484	179,755
Amounts owed by group undertakings and undertakings in which the company has a participating interest	1,207	–
Other debtors	31,226	31,298
	-----	-----
	173,917	211,053
	-----	-----

## 8. CREDITORS: amounts falling due within one year

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	23,894	16,731
Corporation tax	18,140	4,070
Social security and other taxes	38,428	19,076

Other creditors	151,296	263,043
	-----	-----
	231,758	302,920
	-----	-----

Included in creditors falling due within one year is an amount of £23,894 (2022: £16,731) relating to bank loans and an overdraft. This amount is secured on the assets of the company.

**9. CREDITORS: amounts falling due after more than one year**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	35,138	43,096
	-----	-----

Included in creditors falling due after more than one year is an amount of £35,138 (2022: £43,096) relating to a bank loan. This amount is secured on the assets of the company.

**10. DIRECTOR'S ADVANCES, CREDITS AND GUARANTEES**

Included in other creditors falling due within one year is an amount of £137,924 (2022: £255,607) due to the directors. This balance is interest free, unsecured, and repayable on demand.

**11. RELATED PARTY TRANSACTIONS**

Included within debtors is a balance of £1,207 (2022: £–) due from a party related by common control.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.