

Registered number: 00431334

**MIDDLERIGG SERVICES LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 MARCH 2017**

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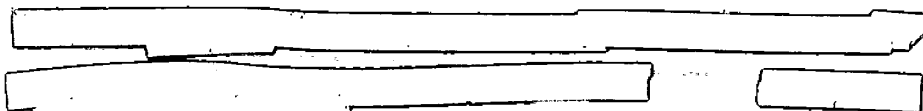


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# MIDDLELIGG SERVICES LIMITED

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## **MIDDLERIGG SERVICES LIMITED**

## **COMPANY INFORMATION**

### **Directors**

J F M Rodwell  
P R Holcroft  
G R S Broke  
P G Chamberlin  
Mrs L Stuttford  
A E Fanshawe

### **Company Secretary**

M Kitto

### **Registered Number**

00431334

### **Registered Office**

1-3 College Hill  
London  
EC4R 2RA

### **Independent Auditor**

PKF Littlejohn LLP  
1 Westferry Circus  
Canary Wharf  
London  
E14 4HD

### **Bankers**

Royal Bank of Scotland  
4th Floor  
Regents House  
42 Islington High Street  
London  
N1 8XL

### **Solicitors**

Macfarlanes LLP  
20 Cursitor Street  
London  
EC4A 1LT

The Directors present their report and the financial statements for the year ended 31 March 2017.

**Results and dividends**

The results for the year, after taxation, amounted to £NIL (2016 - £NIL).

**Directors**

The Directors who served during the year were:

J F M Rodwell  
P R Holcroft  
G R S Broke  
P G Chamberlin  
Mrs L Stuttaford  
A E Fanshawe

**Future developments**

The Company will continue to supply management services.

**Disclosure of information to auditor**

Each of the persons who are Directors at the time when this Directors' report is approved has confirmed that:

- so far as that Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- that Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

**Post balance sheet events**

There have been no significant events affecting the Company since the year end.

**Auditors**

The auditor, PKF Littlejohn LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

The Directors have taken advantage of the exemptions permitted under the small companies regime.

This report was approved by the Board on 20 September 2017 and signed on its behalf.



**M Kitto**  
Secretary

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; and
- 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.

We have audited the financial statements of Middelrigg Services Limited for the year ended 31 March 2017 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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.

### **Respective responsibilities of Directors and Auditor**

As explained more fully in the Directors' Responsibilities Statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2017 and of its result 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.

### **Opinion on other matter 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

**MIDDLERIGG SERVICES LIMITED**

**INDEPENDENT AUDITOR'S REPORT TO THE  
MEMBERS OF MIDDLERIGG SERVICES LIMITED**

**Matters on which we are required to report by exception**

In 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 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.
- the Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' Report and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report.

  
PKF LITTLEJOHN LLP

Ian Mathieson (Senior Statutory Auditor)

For and on behalf of  
**PKF Littlejohn LLP**  
Statutory Auditor

1 Westferry Circus  
Canary Wharf  
London  
E14 4HD

Date: 26 September 2017

**MIDDLERIGG SERVICES LIMITED****PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2017**

	<b>Note</b>	<b>2017 £</b>	<b>2016 £</b>
Turnover	4	42,640	38,090
<b>Gross profit</b>		<u>42,640</u>	<u>38,090</u>
Administrative expenses		(25,871)	(30,481)
<b>Operating profit</b>	5	<u>16,769</u>	<u>7,609</u>
Payment under Deed of Covenant		(15,073)	(6,829)
Payment under Gift Aid		(1,674)	(759)
Interest payable and expenses	8	(22)	(21)
<b>Result for the year after taxation</b>		<u>-</u>	<u>-</u>
<b>Total comprehensive income for the year</b>		<u>-</u>	<u>-</u>

There were no recognised gains or losses for 2017 or 2016 other than those included in the Profit and Loss account.

All amounts relate to continuing operations.

The notes on pages 7 to 11 form part of these financial statements.



**MIDDLERIGG SERVICES LIMITED**  
**REGISTERED NO. 00431334**

**BALANCE SHEET**  
**AS AT 31 MARCH 2017**

	Note	2017 £	2016 £
<b>Current assets</b>			
Debtors: amounts falling due within one year	10	31,429	21,648
Cash at bank and in hand	11	1,638	2,035
		<u>33,067</u>	<u>23,683</u>
Creditors: amounts falling due within one year	12	(25,675)	(16,291)
		<u></u>	<u></u>
<b>Net current assets</b>		<u>7,392</u>	<u>7,392</u>
<b>Total assets less current liabilities</b>		<u>7,392</u>	<u>7,392</u>
<b>Net assets</b>		<u>7,392</u>	<u>7,392</u>
<b>Capital and reserves</b>			
Called up share capital	14	9,360	9,360
Profit and loss account	15	(1,968)	(1,968)
		<u>7,392</u>	<u>7,392</u>

The Company's financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the Board and were signed on its behalf on 20 September 2017.

  
J F M Rodwell  
Director

The notes on pages 7 to 11 form part of these financial statements.

**1. General Information**

Midlerigg Services Limited (the Company) provides management services to several trusts and to fellow subsidiary undertakings.

The Company is a private company limited by shares and is incorporated and domiciled in England. The address of its registered office is 1-3 College Hill, London EC4R 2RA.

**2. Accounting policies****2.1 Basis of preparation of the financial statements**

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

**2.2 Going Concern**

The Company has net current assets of £7,392 at the balance sheet date (2016 - £7,392). The Directors believe that the Company has sufficient resources to meet its liabilities as they fall due because they can call upon the Parent Company or other group companies, for short term working capital, as and when required. The Financial Statements have therefore been prepared on the basis that the Company is a going concern.

**2.3 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

**Rendering of services**

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably, and;
- the costs incurred and the costs to complete the contract can be measured reliably.

**2.4 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2. Accounting policies (continued)****2.5 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**2.6 Financial instruments**

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable and loans from fellow subsidiaries.

Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value, with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**2.7 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.8 Finance costs**

Finance costs are charged to the Profit and loss account over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**3. Judgments in applying accounting policies and key sources of estimation uncertainty**

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

**(i) Impairment of debtors**

The Company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 10 for the net carrying amount of the debtors and associated impairment provision.

**4. Analysis of turnover**

An analysis of turnover by class of business is as follows:

	2017 £	2016 £
Commission receivable	38,538	34,166
Fees receivable	4,102	3,924
	<hr/> 42,640	<hr/> 38,090

All turnover derives from the United Kingdom.

**5. Operating profit**

The operating profit is stated after charging:

	2017 £	2016 £
Fees payable to the Company's auditor and its associates for the audit of the company's annual financial statements	2,575	3,477
Fees payable to the Company's auditor and its associates for non-audit services	1,344	1,100
Fees payable to the Company's auditor and its associates in respect of the prior year	535	-
	<u>          </u>	<u>          </u>

**6. Employees**

Staff costs, including Directors' remuneration, were as follows:

	2017 £	2016 £
Wages and salaries	17,833	24,500
Social security costs	790	1,710
	<u>          </u>	<u>          </u>
	18,623	26,209
	<u>          </u>	<u>          </u>

The average monthly number of employees, including the Directors, during the year was as follows:

	2017	2016
Directors	2	2
	<u>          </u>	<u>          </u>

**7. Directors' remuneration**

	2017 £	2016 £
Directors' emoluments	17,833	24,500
	<u>          </u>	<u>          </u>

The Directors are considered to be the key management personnel of the Company. No post-employment or other benefits were paid to the Directors during the year (2016 - £nil).

**8. Interest payable and similar charges**

	2017 £	2016 £
Other loan interest payable	22	22
	<u>          </u>	<u>          </u>

**9. Taxation**

No corporation tax arises on the results for the year.

**MIDDLERIGG SERVICES LIMITED**
**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017**

<b>10. Debtors</b>	<b>2017 £</b>	<b>2016 £</b>
Trade debtors	645	290
Amounts owed by group undertakings	30,784	21,358
	<hr/>	<hr/>
	31,429	21,648
	<hr/>	<hr/>

<b>11. Cash and cash equivalents</b>	<b>2017 £</b>	<b>2016 £</b>
Cash at bank and in hand	1,638	2,035
	<hr/>	<hr/>

<b>12. Creditors: Amounts falling due within one year</b>	<b>2017 £</b>	<b>2016 £</b>
Amounts owed to group undertakings	20,013	11,747
Accruals and deferred income	4,434	3,706
Trade creditors	1,228	838
	<hr/>	<hr/>
	25,675	16,291
	<hr/>	<hr/>

Included within amounts owed to group undertakings is £15,073 (2016 - £6,829) payable to the parent undertaking under a Deed of Covenant and £4,970 (2016 - £4,918) payable to a fellow subsidiary.

The amount owed to a fellow subsidiary, included in amounts owed to group undertakings above, is unsecured, bears interest at an average bank rate for the year and is repayable on demand. The amount owed to the parent undertaking, included in amounts owed to group undertakings above, is secured on the investment properties.

<b>13. Financial instruments</b>	<b>2017 £</b>	<b>2016 £</b>
<b>Financial assets</b>		
Financial assets measured at amortised cost	31,429	21,648
	<hr/>	<hr/>
	31,429	21,648
	<hr/>	<hr/>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	(25,675)	(16,291)
	<hr/>	<hr/>
	(25,675)	(16,291)
	<hr/>	<hr/>

Financial assets measured at amortised cost comprise trade debtors and amounts owed by other group companies.

Financial liabilities measured at amortised cost comprise amounts due to the parent company and a fellow subsidiary, as well as accruals and trade creditors.

<b>14. Share capital</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Allotted, called up and fully paid</b>		
9,360 Ordinary shares of £1 each	9,360	9,360
	<hr/>	<hr/>

**15. Reserves****Profit & loss account**

This comprises the accumulated profits and losses of the Company since incorporation.

**16. Related party transactions**

There have been no related party transactions in the year apart from those between the Company and other members of The Hedley Foundation Limited Group of Companies and the remuneration paid to the Directors.

The Company has taken advantage of the exemptions available to 100% owned subsidiaries under Section 33.1A of FRS 102 from disclosing transactions with other members of The Hedley Foundation Group of Companies.

**17. Ultimate Controlling party**

The Hedley Foundation Limited, a charitable Company incorporated in England and Wales is the ultimate parent undertaking. The Hedley Foundation Limited prepares group financial statements and these are publicly available from Companies House, Cardiff, CF14 3UZ.