

COMPANY REGISTRATION NUMBER 02317695

LACY & MIDDLEMISS SHIPBROKERS LIMITED

FINANCIAL STATEMENTS

31 DECEMBER 2021

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COMPANIES HOUSE

LACY & MIDDLEMISS SHIPBROKERS LIMITED
OFFICERS AND PROFESSIONAL ADVISERS

Directors

P J Cross
J N W Denholm
S B Hughes

Secretary

C D G Daniels

Registered office

Marlborough House
102-110 High Street
Shoreham-by-sea
West Sussex
BN43 5DB

Independent auditor

BDO LLP
Chartered Accountants and Statutory Auditor
4 Atlantic Quay
70 York Street
Glasgow
G2 8JX

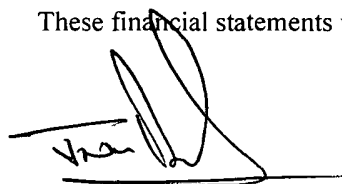
LACY & MIDDLEMISS SHIPBROKERS LIMITED
BALANCE SHEET
31 DECEMBER 2021

	Note	2021 £	2020 £
FIXED ASSETS			
Tangible assets	3	4,163	4,275
CURRENT ASSETS			
Debtors due within one year	4	1,068,791	1,768,963
Cash at bank		459,122	435,342
		1,527,913	2,204,305
CREDITORS: Amounts falling due within one year	5	(1,123,870)	(1,846,295)
NET CURRENT ASSETS		404,043	358,010
NET ASSETS		408,206	362,285
CAPITAL AND RESERVES			
Called-up share capital	6	100,000	100,000
Other reserves	6	300	300
Profit and loss account	6	307,906	261,985
SHAREHOLDERS' FUNDS		408,206	362,285

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Statement of Comprehensive Income has not been delivered.

These financial statements were approved by the Board on 14 September 2022.



J N W DENHOLM
Director

The notes on pages 3 to 8 form part of these financial statements.

LACY & MIDDLEMISS SHIPBROKERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 31 DECEMBER 2021

1. ACCOUNTING POLICIES

Basis of accounting

Lacy & Middlemiss Shipbrokers Limited is a company incorporated in the United Kingdom under the Companies Act. The address of the registered office is given on page 1.

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. The company has taken advantage of the reduced disclosure exemptions as permitted by FRS 102 in preparing these financial statements as noted throughout these financial statements. This information is included in the consolidated financial statements of J. & J. Denholm Limited as at 31 December 2021 and these financial statements may be obtained from Companies House. The functional and presentational currency of Lacy & Middlemiss Shipbrokers Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the company operates.

The directors having having considered forecasts, cash resources, facilities, and projected costs (based on a range of possible outcomes) have concluded that there is no material uncertainty arising in relation to going concern and that the company has a reasonable expectation that it has adequate resources to continue in operational existence for the foreseeable future and to meet its obligations as they fall due. Accordingly, the directors continue to adopt the going concern basis in preparing the financial statements.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard 102, Section 1 from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its ultimate parent includes the company in its consolidated financial statements.

Turnover

The turnover shown in the profit and loss account represents amounts earned during the year and is stated net of Value Added Tax. Turnover represents the fair value of consideration received or receivable from the supply of shipping services. In all cases, it is recognised in accordance with the contractual arrangements.

Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation, and any provision for impairment. Depreciation is calculated on a straight line basis to write off the cost less estimated residual value of tangible fixed assets over their anticipated useful lives as follows:

Plant & Machinery	- over 4 years
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Leases

Rentals in respect of operating leases are charged to the profit and loss account on a straight line basis over the lease term.

Taxation

Current tax is provided at amounts expected to be paid (or received) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be argued as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference.

LACY & MIDDLEMISS SHIPBROKERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 31 DECEMBER 2021

1. ACCOUNTING POLICIES *(continued)*

Foreign currencies

Transactions in currencies other than the functional currency are recognised at the rate of exchange at the date of the transaction, or at an average rate where this rate approximates the actual rate at the date of transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated at the rates prevailing at that date. Non-monetary items that are measured at historical cost in a foreign currency are not retranslated.

Exchange differences arising from trading are included as an exchange gain or loss in the profit and loss account.

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short term deposits with a maturity date of 12 months or less.

Pension costs

Pension costs arising in respect of the defined contribution scheme are charged to the profit and loss account as incurred.

Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved.

Financial instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

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.

The directors have taken advantage of the exemption in Financial Reporting Standard 102, Section 1 from including a detailed financial instruments note on the grounds that the company is a qualifying entity and detailed information on the financial instruments are included in the consolidated financial statements of the ultimate parent.

(i) Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs).

Debt instruments that are classified as payable or receivable within one year are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Financial assets are derecognised when and only when the contractual rights to the cash flows from the financial asset expire or are settled.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

LACY & MIDDLEMISS SHIPBROKERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 31 DECEMBER 2021

1. ACCOUNTING POLICIES *(continued)*

Critical accounting 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 amounts 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements and estimates in applying the company's accounting policies

The following are the critical judgements and estimates, that the directors have made in the process of applying the company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

(a) Debtor's provision

The company assesses the recoverability of its debtors and provides for specific debtors if the likelihood of recoverability is deemed to be in doubt or if the customer has defaulted.

2. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 3 (2020 - 3).

3. TANGIBLE FIXED ASSETS

	Plant & Machinery £
Cost	
At 1 January 2021	49,761
Additions	2,289
At 31 December 2021	52,050
Depreciation	
At 1 January 2021	45,486
Charge for the year	2,401
At 31 December 2021	47,887
Net Book Value	
At 31 December 2021	4,163
At 31 December 2020	4,275

LACY & MIDDLEMISS SHIPBROKERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 31 DECEMBER 2021

4. DEBTORS: Amounts falling due within one year

	2021	2020
	£	£
Trade debtors	1,040,683	1,032,436
Amounts owed by group undertakings	2,400	654,103
Other debtors	388	-
Prepayments and accrued income	23,554	80,634
Deferred taxation (note 12)	1,766	1,790
	<u>1,068,791</u>	<u>1,768,963</u>

The financial assets above are recorded at transaction price. The debt instruments receivable above are recorded at the undiscounted amount receivable.

The amounts owed by group undertakings in 2020 includes a loan to the immediate parent company, which bore interest at the Bank of England base rate and was repayable on demand.

5. CREDITORS: Amounts falling due within one year

	2021	2020
	£	£
Trade creditors	310,215	464,603
Amounts owed to group undertakings	138,673	19,155
Corporation tax	83,054	219,237
Other creditors	306,418	722,601
Accruals and deferred income	285,510	420,699
	<u>1,123,870</u>	<u>1,846,295</u>

The financial liabilities above are recorded at transaction price. The debt instruments payable above are recorded at the undiscounted amount payable.

The amounts due to group undertakings within one year includes a loan from the immediate parent undertaking, which bears interest at a rate of 3.5% plus the Bank of England base rate and is repayable on demand.

LACY & MIDDLEMISS SHIPBROKERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 31 DECEMBER 2021

6. SHARE CAPITAL

Allotted, called up and fully paid:

	2021		2020	
	Number	£	Number	£
50,000 Ordinary 'A' shares of £1 each	50,000	50,000	50,000	50,000
50,000 Ordinary 'B' shares of £1 each	50,000	50,000	50,000	50,000
	100,000	100,000	100,000	100,000

The company has two classes of ordinary shares which have identical voting rights and carry no right to fixed income.

The profit and loss account of £307,906 (2020 - £261,985) represents cumulative profits or losses, net of dividends paid and other adjustments.

Other reserves of £300 (2020 - £300) comprises the capital redemption reserve.

7. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2021 the future minimum lease payments under non-cancellable operating leases were as follows.

	Land and buildings	
	2021	2020
	£	£
Operating lease payments due:		
Within 1 year	4,200	4,200

8. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT

An audit of the company's financial statements was carried out by BDO LLP as statutory audit, who reported to the company's members on 20 September 2022. The auditors's report was signed by Mark McCluskey as senior statutory auditor was unqualified.

LACY & MIDDLEMISS SHIPBROKERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 31 DECEMBER 2021

9. RELATED PARTY TRANSACTIONS

	Purchases from related party	Sales to related party	Trading balances owed to related party	Trading balances owed from related party
	£	£	£	£
2021				
Denholm Port Services Limited	<u>118,668</u>	<u>30,353</u>	<u>7,975</u>	<u>2,400</u>
2020	£	£	£	£
Denholm Port Services Limited	<u>122,190</u>	<u>19,199</u>	<u>8,790</u>	<u>4,103</u>

Denholm Port Services Limited is a fellow subsidiary of J. & J. Denholm Limited, the ultimate parent undertaking.

Transactions with entities in which the J. & J. Denholm Limited group of companies has 100% of the voting rights are not disclosed, as permitted by Section 33.1A of FRS 102.

In addition advantage has been taken of the exemption under section 1.12 of FRS 102, from disclosing total remuneration of key management personnel, as the company is a wholly owned subsidiary of J. & J. Denholm Limited.

10. ULTIMATE PARENT COMPANY

The immediate parent undertaking is Denholm Logistics Group Limited, a company registered in England and Wales. The ultimate parent undertaking is J. & J. Denholm Limited. Copies of the accounts of J. & J. Denholm Limited, the largest and smallest group undertaking which consolidates the financial statements of the company, may be obtained from the Registrar of Companies, Companies House, Crown Way, Cardiff, CF14 3UZ.