

**Eastgate Materials Handling Limited**

**Directors' Report and Financial  
Statements**

**Registered number 06557463**

**31 May 2018**



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## Directors' Report

The directors present their Directors' Report and Financial Statements for the year ended 31 May 2018.

### Principal activities and business review

On 1 June 2013 the trade and certain assets of Eastgate Materials Handling Limited transferred to Hargreaves (UK) Services Limited. Since that date the company has not traded.

### Proposed dividend

No dividends have been paid during the year (2017: £nil).

### Directors and directors' interests

The directors who held office during the year and up to the date of this report were as follows:

ID Cockburn (resigned 4 October 2017)  
GFC Banham  
SL Anson

### Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

### Auditor

The Audit Committee of Hargreaves Services plc reviews and makes recommendations with regard to the appointment of the external auditors. In making this recommendation the Committee considers auditor effectiveness, independence and partner rotation.

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board



**GFC Banham**  
Director

West Terrace  
Esh Winning  
Co Durham  
DH7 9PT

22 November 2018

## **Statement of Directors' Responsibilities in Respect of the Directors' Report and the Financial Statements**

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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

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 estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



**KPMG LLP**

Quayside House  
110 Quayside  
Newcastle upon Tyne  
NE1 3DX  
United Kingdom

**Independent Auditor's Report to the Members of Eastgate Materials Handling Limited**

**Opinion**

We have audited the financial statements of Eastgate Materials Handling Limited ("the company") for the year ended 31 May 2018 which comprise the Profit and Loss Account and Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and related notes, including the accounting policies in note 1.

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 result for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework*; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

**Going concern**

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

**Directors' report**

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;

## **Independent Auditor's Report to the Members of Eastgate Materials Handling Limited (*Continued*)**

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

Under the Companies Act 2006 we are required 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; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

### **Directors' responsibilities**

As explained more fully in their statement set out on page 2, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities**

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

### **The purpose of our audit work and to whom we owe our responsibilities**

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.



**Johnathan Pass (Senior Statutory Auditor)  
for and on behalf of KPMG LLP, Statutory Auditor**

*Chartered Accountants*  
Quayside House  
110 Quayside  
Newcastle upon Tyne  
NE1 3DX

29 November 2018

**Profit and Loss Account and Other Comprehensive Income**  
*for the year ended 31 May 2018*

During the current and previous financial years the company received no income and incurred no expenditure. Consequently, in these years the company made neither a profit nor a loss and had no other comprehensive income.

**Balance Sheet**  
*at 31 May 2018*

	<i>Note</i>	<b>2018</b> <b>£000</b>	<b>£000</b>	<b>2017</b> <b>£000</b>	<b>£000</b>
<b>Current assets</b>					
Debtors	3	468		6,247	
Creditors: amounts falling due within one year	4	(213)		(5,992)	
<b>Net current assets</b>			<b>255</b>		<b>255</b>
<b>Net assets</b>			<b>255</b>		<b>255</b>
<b>Capital and reserves</b>					
Called up share capital	5		1		1
Capital contribution reserve	5		32		32
Profit and loss account			222		222
<b>Shareholders' funds</b>			<b>255</b>		<b>255</b>

These financial statements were approved by the board of directors on 22 November 2018 and were signed on its behalf by:



**GFC Banham**  
*Director*

Registered number: 06557463



## Statement of Changes in Equity

	<b>Called up share capital £000</b>	<b>Capital contribution reserve £000</b>	<b>Profit and loss account £000</b>	<b>Total equity £000</b>
<b>Balance at 1 June 2016, 31 May 2017, 1 June 2017 and 31 May 2018</b>	<b>1</b>	<b>32</b>	<b>222</b>	<b>255</b>
	<hr/>	<hr/>	<hr/>	<hr/>

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

Eastgate Materials Handling Limited (the "Company") is incorporated, domiciled and registered in the UK.

#### ***Basis of preparation***

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101").

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The Company's ultimate parent undertaking, Hargreaves Services plc includes the Company in its consolidated financial statements. The consolidated financial statements of Hargreaves Services plc are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from Companies House.

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs; and
- Disclosures of transactions with a management entity that provides key management personnel services to the company.

As the consolidated financial statements of Hargreaves Services plc include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- Certain disclosures required by IFRS 13 *Fair Value Measurement* and the disclosures required by IFRS 7 *Financial Instrument Disclosures*.

The company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group accounts. These financial statements present information about the company as an individual undertaking and not about its group.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

There are no material judgements made by the directors, in the application of these accounting policies that are expected to have a significant effect on the financial statements or any estimates with a significant risk of material adjustment in the next year.

#### ***Going concern***

The company meets its day to day working capital requirements through support from related companies and the Company's ultimate parent undertaking. After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue to operate in existence for the foreseeable future. Accordingly they continue to prepare the accounts on a going concern basis.

## **Notes (continued)**

### **1 Accounting policies (continued)**

#### ***Measurement convention***

The financial statements are prepared on the historical cost basis.

#### ***Classification of financial instruments issued by the Company***

Following the adoption of IAS 32, financial instruments issued by the Company are treated as equity (i.e. forming part of shareholders' funds) only to the extent that they meet the following two conditions:

- a) they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company; and
- b) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

#### ***Non-derivative financial instruments***

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other debtors, cash and cash equivalents, loans and borrowings, and trade and other creditors. These are initially recognised at fair value and subsequently measured at amortised cost.

## Notes (continued)

### 2 Remuneration of directors

The directors did not receive any remuneration for their services to the company (2017: £nil). There were no other employees of the company during either the current or previous year.

### 3 Debtors

	2018 £000	2017 £000
Amounts owed by group undertakings	468	6,247

### 4 Creditors: amounts falling due within one year

	2018 £000	2017 £000
Amounts owed to group undertakings	-	5,779
Group relief payable	213	213
	<u>213</u>	<u>5,992</u>

### 5 Capital and reserves

	2018 £000	2017 £000
Share capital		
<i>Allotted, called up and fully paid</i>		
1,000 ordinary shares of £1 each	1	1

#### Capital contribution reserve

The capital contribution reserve comprises cumulative historic share based payments.

### 6 Ultimate parent company and parent undertaking of larger group of which the company is a member

The Company is a subsidiary undertaking of Hargreaves Services plc. The Company's ultimate controlling party is Hargreaves Services plc. The Company's immediate controlling party is Hargreaves (UK) Services Limited.

The only group in which the results of the Company are consolidated is that headed by Hargreaves Services plc. The consolidated financial statements of this Company are available to the public and may be obtained from their registered address West Terrace, Esh Winning, Durham, DH7 9PT.