

Registration number: 12572359

# Middlewood Locks KLM Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2021



# **Middlewood Locks KLM Limited**

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## **Middlewood Locks KLM Limited**

### **Company Information**

<b>Directors</b>	P M Kelly
	S C McCabe
	J J Tutton
	Esplanade Director Limited
<b>Company secretary</b>	Esplanade Secretarial Services Limited
<b>Registered office</b>	Europa House
	20 Esplanade
	Scarborough
	YO11 2AQ
<b>Auditors</b>	Mazars LLP
	Chartered Accountants and Statutory Auditor
	5th Floor
	3 Wellington Place
	Leeds
	LS1 4AP

## **Middlewood Locks KLM Limited**

### **Directors' Report for the Year Ended 31 December 2021**

The directors present their report and the financial statements for the year ended 31 December 2021.

#### **Directors of the company**

The directors who held office during the year were as follows:

P M Kelly

S C McCabe

J J Tutton

Esplanade Director Limited

#### **Going concern**

The Directors consider the company to be a going concern. The Directors' assessment of the going concern status of the company is detailed in note 2 of these financial statements.

#### **Impact of Brexit upon the Company**

The Directors have considered the impact of the withdrawal of the United Kingdom from the EU and have not identified any significant impact on the business.

#### **Impact of COVID-19 Coronavirus upon the Company**

The Directors have considered the impact of the COVID-19 virus upon the company and don't expect there to be any material impact.

#### **Disclosure of information to the auditors**

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

#### **Reappointment of auditors**

Mazars LLP continue in office in accordance with section 487(2) Companies Act 2006.

#### **Small companies provision statement**

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board on 30 June 2022 and signed on its behalf by:

Jeremy Tutton

Jeremy Tutton (Jun 30, 2022 14:20 GMT+1)

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J J Tutton

Director

## **Middlewood Locks KLM Limited**

### **Statement of Directors' Responsibilities**

The directors acknowledge their responsibilities for preparing the Annual 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 apply them consistently;
- make judgements 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.

## **Middlewood Locks KLM Limited**

### **Independent Auditor's Report to the Members of Middlewood Locks KLM Limited**

#### **Opinion**

We have audited the financial statements of Middlewood Locks KLM Limited (the 'company') for the year ended 31 December 2021, which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity, and Notes to the Financial Statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its loss 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.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Other matter**

Without qualifying our opinion, we draw attention to the accounting policies on page 12 to the financial statements and the fact that the comparative information in the accounts was unaudited as the company was entitled to exemption from audit.

## **Middlewood Locks KLM Limited**

### **Independent Auditor's Report to the Members of Middlewood Locks KLM Limited**

#### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the original financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

#### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Middlewood Locks KLM Limited**

### **Independent Auditor's Report to the Members of Middlewood Locks KLM Limited**

#### **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.

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

In the 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 in relation to which 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; or
- 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 from the requirement to prepare a Strategic Report.

#### **Responsibilities of Directors**

As explained more fully in the directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

*Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.*

Based on our understanding of the company and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation and anti-money laundering regulation.



## **Middlewood Locks KLM Limited**

### **Independent Auditor's Report to the Members of Middlewood Locks KLM Limited**

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- inquiring of management and, where appropriate, those charged with governance, as to whether the company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation and the Companies Act 2006.

In addition, we evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- gaining an understanding of the internal controls established to mitigate risks related to fraud;
- discussing amongst the engagement team the risks of fraud; and
- addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## **Middlewood Locks KLM Limited**

### **Independent Auditor's Report to the Members of Middlewood Locks KLM Limited**

#### **Use of our report**

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.

  
Ashley Barraclough (Jun 30, 2022 17:08 GMT+1)

.....  
Ashley Barraclough (Senior Statutory Auditor)  
For and on behalf of Mazars LLP,  
Chartered Accountants and Statutory Auditor

5th Floor  
3 Wellington Place  
Leeds  
LS1 4AP

**Jun 30, 2022**  
Date:.....

## Middlewood Locks KLM Limited

### Profit and Loss Account for the Year Ended 31 December 2021

	Note	2021 £	Unaudited 2020 £
Turnover		-	-
Gross profit/(loss)		-	-
Administrative expenses		(60)	-
Operating loss		(60)	-
Interest payable and similar expenses	3	(22)	-
Loss before tax		(82)	-
Tax on (loss)/profit	5	-	-
Loss for the financial year		(82)	-

The above results were derived from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

The notes on pages 12 to 15 form an integral part of these financial statements.

**Middlewood Locks KLM Limited**

**(Registration number: 12572359)**

**Balance Sheet as at 31 December 2021**

	Note	2021 £	Unaudited 2020 £
<b>Current assets</b>			
Debtors	6	1	1
Cash at bank and in hand	7	940	-
		941	1
<b>Creditors: Amounts falling due within one year</b>	8	(1,022)	-
<b>Net (liabilities)/assets</b>		(81)	1
<b>Capital and reserves</b>			
Called up share capital	9	1	1
Profit and loss account	10	(82)	-
<b>Shareholders' (deficit)/funds</b>		(81)	1

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Approved and authorised by the Board on 30 June 2022 and signed on its behalf by:

Jeremy Tutton

Jeremy Tutton (Jun 30, 2022 14:20 GMT+1)

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J J Tutton  
Director

The notes on pages 12 to 15 form an integral part of these financial statements.

# **Middlewood Locks KLM Limited**

## **Statement of Changes in Equity for the Year Ended 31 December 2021**

	<b>Share capital</b>	<b>Profit and loss</b>	<b>Total</b>
	<b>£</b>	<b>account</b>	<b>£</b>
At 1 January 2021	1	-	1
Loss for the year	-	(82)	(82)
Total comprehensive loss	-	(82)	(82)
At 31 December 2021	1	(82)	(81)
	<b>Share capital</b>	<b>Total</b>	
	<b>£</b>	<b>£</b>	
At 27 April 2020	1	1	
At 31 December 2020	1	1	

The notes on pages 12 to 15 form an integral part of these financial statements.

## **Middlewood Locks KLM Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2021**

#### **1 General information**

The company is a private company limited by share capital, incorporated in England and Wales, company registration number 12572359.

The address of its registered office is:

Europa House  
20 Esplanade  
Scarborough  
YO11 2AQ

The principal place of business is:

Building 3125  
Century Way  
Thorpe Park  
Leeds  
LS15 8ZB

These financial statements were authorised for issue by the Board on 30 June 2022.

The company has not yet commenced trading.

#### **2 Accounting policies**

##### **Statement of compliance**

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value. They are presented in GBP and are rounded to the nearest pound. The comparative information is unaudited as the company was entitled to audit exemption in the previous year under s480 of the Companies Act 2006.

##### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **Going concern**

These financial statements have been prepared on a going concern basis as Middlewood Locks Residential Limited, as largest creditor of the company, has confirmed in writing that it will not demand repayment of amounts owed to it until such time that the company is in a position to be able to do so. The Directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The directors have assessed that Covid-19 will not have a material impact on the ability of the company to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

##### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

## Middlewood Locks KLM Limited

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

### 3 Interest payable and similar expenses

	2021 £	Unaudited 2020 £
Interest payable to group companies	<u>22</u>	<u>-</u>

### 4 Staff costs

The average number of employees (excluding directors) during the year was nil (2020: nil).

No emoluments were paid to the directors during the year (2020: £nil).

### 5 Taxation

Tax charged/(credited) in the income statement

	2021 £	2020 £
<b>Current taxation</b>		
UK corporation tax	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

The tax on profit before tax for the year is the same as the standard rate of corporation tax in the UK (2020 - the same as the standard rate of corporation tax in the UK) of 19% (2020 - 19%).

The differences are reconciled below:

	2021 £	2020 £
Loss before tax	<u>(82)</u>	<u>-</u>
Corporation tax at standard rate	(16)	-
Tax increase from effect of unrelieved tax losses carried forward	<u>16</u>	<u>-</u>
Total tax charge/(credit)	<u>-</u>	<u>-</u>

# Middlewood Locks KLM Limited

## Notes to the Financial Statements for the Year Ended 31 December 2021

Changes to the UK corporation tax rates were announced as part of the Finance Bill 2021. The rate applicable from 1 April 2021 remains at 19% with an increase to 25% from 1 April 2023. These rates have been taken into consideration when calculating tax and any deferred tax balances at the reporting date.

### 6 Debtors

	2021 £	Unaudited 2020 £
Other debtors	1	1
	<u>1</u>	<u>1</u>

### 7 Cash and cash equivalents

	2021 £	Unaudited 2020 £
Cash on hand	940	-
	<u>940</u>	<u>-</u>

### 8 Creditors

	2021 £	Unaudited 2020 £
<b>Due within one year</b>		
Amounts owed to group companies	1,022	-
	<u>1,022</u>	<u>-</u>

### 9 Share capital

#### Allotted, called up and fully paid shares

	2021		Unaudited 2020	
	No.	£	No.	£
Ordinary shares of £1 each	1	1	1	1
	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

### 10 Reserves

The profit and loss account reserves represent accumulated losses.

### 11 Related party transactions

The Company discloses transactions with related parties which are not wholly owned within the same group. It does not disclose transactions with members of the same group that are wholly owned, in accordance with section 33 of FRS 102.



## **Middlewood Locks KLM Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2021**

#### **12 Non adjusting events after the financial period**

The company has received the land stock of £3m from a group company Fairbriar Developments (Salford) Limited on 14 June 2022. The company has signed the construction contract for £40m and funding agreement for £30m on 14 June 2022.

#### **13 Parent and ultimate parent undertaking**

The company's immediate parent is Fairbriar Development Holdings Limited, incorporated in England and Wales.

The ultimate parent is Fairbriar Real Estate Limited, incorporated in England and Wales. Fairbriar Real Estate Limited is the parent undertaking of the largest and smallest group for which group accounts are drawn up and of which the Company is a member.

These financial statements are available upon request from Europa House, 20 Esplanade, Scarborough, YO11 2AQ.

There is no single ultimate controlling party.