

Company Registration No. 13144759 (England and Wales)

**ATB 2021 MIDCO LIMITED**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 OCTOBER 2023**

TUESDAY



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# ATB 2021 MIDCO LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	M Anstead G W Buckle
<b>Company number</b>	13144759
<b>Registered office</b>	22 Cross Keys Close London W1U 2DW England
<b>Auditor</b>	RSM UK Audit LLP Chartered Accountants 25 Farringdon Street London EC4A 4AB

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# ATB 2021 MIDCO LIMITED

## STRATEGIC REPORT

### FOR THE YEAR ENDED 31 OCTOBER 2023

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The directors present the strategic report for the year ended 31 October 2023.

#### **Fair review of the business**

The company is a wholly owned subsidiary of ATB 2021 Topco Ltd.

The only activity of the company during the year related to recharged overheads and interest payments.

#### **Principal risks and uncertainties**

Company risks are discussed in the financial statements of the group, details of which can be found in note 15.

#### **Going concern**

The group continues to manage challenging market conditions with overstocking, and consequently discounting, prevalent in key categories in the group's principal market. This exacerbates usual pressures on cash arising from the seasonal nature of annual sales and long working capital cycle. The directors continue to explore all available measures to mitigate liquidity risk but recognise the group's reliance on shareholder loan notes throughout the next twelve months.

The current challenging market conditions create uncertainty particularly over (a) the level of demand for the company's products and (b) the discounting of products that may be required.

The company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the company should be able to operate without the need for additional funding for the next twelve months.

The shareholders are supportive of the medium-long term vision of the group and it is the directors' understanding that the current funding will remain in place for at least the next twelve months.

The majority shareholder acquired all debt and related rights from Santander in November 2024. The majority shareholder has since made amendments to the terms that state all principal and interest amounts will be repaid at the termination date, relieving the business of a significant annual cash burden. Further amendments include the conversion of the £2.0m RCF into term debt and all interest charges being replaced with a 15% interest charge that compounds each payment date.

The shareholders have put funding into the business, including amounts provided since October 2023 and up to the date of these financial statements, totalling £24.2m split between the £14.5m long term loan notes due to be repaid in 2028 and shorter-term loans of £9.7m that are repayable on demand. Following the debt purchase, a further £0.5m is repayable on demand.

The main shareholder has provided the directors with written confirmation that they will not require repayment of the £10.2m repayable on demand to them in the twelve months from the date these financial statements are approved. The directors therefore have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

On behalf of the board

*Matt Anstead*

.....  
M Anstead

Director

Date: 10/01/25  
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# ATB 2021 MIDCO LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 OCTOBER 2023

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The directors present their annual report and financial statements for the year ended 31 October 2023.

#### Principal activities

The principal activity of the company continued to be that of intermediate holding company.

#### Results and dividends

The results for the year are set out on page 7.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

#### Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

N A McGill	(Resigned 21 November 2023)
M D Mutembwa	(Resigned 31 March 2023)
R G Marshall	(Resigned 23 November 2022)
M Anstead	(Appointed 2 January 2024)
G W Buckle	(Appointed 25 July 2023)

#### Qualifying third party indemnity provisions

The company has made qualifying third party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

#### Future developments

The directors intend for the company to continue as a holding company for the foreseeable future.

#### Auditor

The auditor, RSM UK Audit LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

#### Strategic report

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of principal risks and uncertainties, and going concern.

#### Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, each director has taken all the necessary steps that they ought to have taken as a director in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

*Matt Anstead*

.....  
M Anstead

Director

10/01/25  
Date: .....

# **ATB 2021 MIDCO LIMITED**

## **DIRECTORS' RESPONSIBILITIES STATEMENT**

### **FOR THE YEAR ENDED 31 OCTOBER 2023**

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The directors are responsible for preparing the Strategic Report and 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 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 then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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.

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ATB 2021 MIDCO LIMITED**

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## **Opinion**

We have audited the financial statements of ATB 2021 Midco Limited (the 'company') for the year ended 31 October 2023 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and notes to the financial statements, including 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 October 2023 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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.

## **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' 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 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.

## **Opinions on other matters 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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ATB 2021 MIDCO LIMITED (CONTINUED)**

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### **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 strategic report or 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.

### **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 these financial statements.

### **The extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ATB 2021 MIDCO LIMITED (CONTINUED)

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As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures, inspecting correspondence with local tax authorities and evaluating advice received from external tax advisors.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgments and estimates.

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

### 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.

*Mark Nisbett*

Mark Nisbett FCA (Senior Statutory Auditor)  
For and on behalf of RSM UK Audit LLP, Statutory Auditor  
Chartered Accountants  
25 Farringdon Street  
London  
EC4A 4AB

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10/01/25



# ATB 2021 MIDCO LIMITED

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 OCTOBER 2023

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		2023	2022
	Notes	£	£
Administrative expenses		(3,510,169)	(9,450)
Interest receivable and similar income	3	-	27,668
Interest payable and similar expenses	4	(1,577,772)	(1,366,849)
Other gains and losses	5	(995,000)	-
		<u>          </u>	<u>          </u>
<b>Loss before taxation</b>		(6,082,941)	(1,348,631)
Tax on loss	6	-	-
		<u>          </u>	<u>          </u>
<b>Loss for the financial year</b>		<u><u>(6,082,941)</u></u>	<u><u>(1,348,631)</u></u>

**ATB 2021 MIDCO LIMITED****STATEMENT OF FINANCIAL POSITION****AS AT 31 OCTOBER 2023**

	Notes	2023 £	£	2022 £	£
<b>Fixed assets</b>					
Investments	7		-		995,000
<b>Current assets</b>					
Debtors	9	6,364,339		9,919,022	
<b>Creditors: amounts falling due within one year</b>	10	(991,207)		(948,473)	
<b>Net current assets</b>			5,373,132		8,970,549
<b>Total assets less current liabilities</b>			5,373,132		9,965,549
<b>Creditors: amounts falling due after more than one year</b>	11		(13,515,263)		(12,024,739)
<b>Net liabilities</b>			(8,142,131)		(2,059,190)
<b>Capital and reserves</b>					
Called up share capital	13		950		950
Share premium account			94,049		94,049
Profit and loss reserves			(8,237,130)		(2,154,189)
<b>Total equity</b>			(8,142,131)		(2,059,190)

The financial statements were approved by the board of directors and authorised for issue on 10/01/25 and are signed on its behalf by:

*Matt Anstead*

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M Anstead  
Director

# ATB 2021 MIDCO LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 OCTOBER 2023

	Notes	Share capital £	Share premium account £	Profit and loss reserves £	Total £
<b>Balance at 1 November 2021</b>		700	69,299	(805,558)	(735,559)
<b>Year ended 31 October 2022:</b>					
Loss and total comprehensive income for the year		-	-	(1,348,631)	(1,348,631)
Issue of share capital	13	250	24,750	-	25,000
<b>Balance at 31 October 2022</b>		950	94,049	(2,154,189)	(2,059,190)
<b>Year ended 31 October 2023:</b>					
Loss and total comprehensive income for the year		-	-	(6,082,941)	(6,082,941)
<b>Balance at 31 October 2023</b>		950	94,049	(8,237,130)	(8,142,131)

# ATB 2021 MIDCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2023

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### 1 Accounting policies

#### Company information

ATB 2021 Midco Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is 22 Cross Keys Close, London, England, W1U 2DW.

The company's principal activities and nature of its operations are disclosed in the Directors' Report.

#### Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006, including the provisions of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position': Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

ATB 2021 Midco Limited is a wholly owned subsidiary of ATB 2021 Topco Limited and the results of ATB 2021 Midco Limited are included in the consolidated financial statements of ATB 2021 Topco Limited which are available from 22 Cross Keys Close, London, W1U 2DW.

# ATB 2021 MIDCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 OCTOBER 2023

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#### 1 Accounting policies (Continued)

##### Going concern

The group continues to manage challenging market conditions with overstocking, and consequently discounting, prevalent in key categories in the group's principal market. This exacerbates usual pressures on cash arising from the seasonal nature of annual sales and long working capital cycle. The directors continue to explore all available measures to mitigate liquidity risk but recognise the group's reliance on shareholder loan notes throughout the next twelve months.

The current challenging market conditions create uncertainty particularly over (a) the level of demand for the company's products and (b) the discounting of products that may be required.

The company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the company should be able to operate without the need for additional funding for the next twelve months.

The shareholders are supportive of the medium-long term vision of the group and it is the directors' understanding that the current funding will remain in place for at least the next twelve months.

The majority shareholder acquired all debt and related rights from Santander in November 2024. The majority shareholder has since made amendments to the terms that state all principal and interest amounts will be repaid at the termination date, relieving the business of a significant annual cash burden. Further amendments include the conversion of the £2.0m RCF into term debt and all interest charges being replaced with a 15% interest charge that compounds each payment date.

The shareholders have put funding into the business, including amounts provided since October 2023 and up to the date of these financial statements, totalling £24.2m split between the £14.5m long term loan notes due to be repaid in 2028 and shorter-term loans of £9.7m that are repayable on demand. Following the debt purchase, a further £0.5m is repayable on demand.

The main shareholder has provided the directors with written confirmation that they will not require repayment of the £10.2m repayable on demand to them in the twelve months from the date these financial statements are approved. The directors therefore have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

##### Fixed asset investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

##### Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

# ATB 2021 MIDCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 OCTOBER 2023

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#### 1 Accounting policies (Continued)

##### **Basic financial assets**

Basic financial assets, including prepayments and accrued income, and amounts owed by group undertakings, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

##### **Other financial assets**

Other financial assets, including trade investments, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

##### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

##### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### **Classification of financial liabilities**

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.

##### **Basic financial liabilities**

Basic financial liabilities, including borrowings, and amounts owed to group undertakings, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

##### **Other financial liabilities**

Debt instruments where the contractual returns, repayment of the principal, or other terms (such as prepayment provisions or term extensions) do not meet the conditions to be measured at amortised cost, are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

# ATB 2021 MIDCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 OCTOBER 2023

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#### 1 Accounting policies (Continued)

##### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

##### ***Equity instruments***

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

##### ***Taxation***

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

#### 2 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 amount 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The Directors do not consider there to be any significant estimation uncertainty.

##### ***Critical judgements***

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

##### ***Going concern and overall value***

As highlighted in the strategic review and the going concern accounting policy on page 11, the cycling industry as a whole continues to undergo challenging economic conditions. Management have reduced the size of the organisation and are doing what we believe is necessary to see the company through these challenging times. However judgments like going concern and estimates on whether impairments are required to items such as goodwill, investments and receivables are reliant to some extent on the market the group is currently operating in. The group considers itself set to weather this tough period of trading and invest for growth when the market picks up.

# ATB 2021 MIDCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 OCTOBER 2023

#### 3 Interest receivable and similar income

	2023 £	2022 £
Interest income		
Other interest income	-	27,668

#### 4 Interest payable and similar expenses

	2023 £	2022 £
Other interest on financial liabilities	1,577,772	1,366,849

#### 5 Other gains and losses

	2023 £	2022 £
Other gains and losses	(995,000)	-

#### 6 Taxation

The total tax charge for the year included in the income statement can be reconciled to the loss before tax multiplied by the standard rate of tax as follows:

	2023 £	2022 £
Loss before taxation	(6,082,941)	(1,348,631)
Expected tax credit based on the standard rate of corporation tax in the UK of 22.52% (2022: 19.00%)	(1,369,878)	(256,240)
Tax effect of expenses that are not deductible in determining taxable profit	1,369,426	259,701
Change in unrecognised deferred tax assets	502	-
Effect of change in corporation tax rate	(50)	-
Group relief	-	(3,461)
Taxation charge for the year	-	-

#### 7 Fixed asset investments

	Notes	2023 £	2022 £
Investments in subsidiaries	8	-	995,000



# ATB 2021 MIDCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 OCTOBER 2023

#### 7 Fixed asset investments (Continued)

##### Movements in fixed asset investments

	Shares in group undertakings £
<b>Cost or valuation</b>	
At 31 October 2022 & 31 October 2023	995,000
<b>Impairment</b>	
At 1 November 2022	-
Impairment losses	995,000
At 31 October 2023	995,000
<b>Carrying amount</b>	
At 31 October 2022 & 31 October 2023	-

Investments in subsidiaries of £995,000 have been fully impaired in the period, with the impairment loss of £995,000 being reflected in administrative expenses. An impairment review was deemed necessary given market conditions, uncertainties around the timing and extent of recovery and low consumer confidence, driven by inflation, interest rates and the general macroeconomic and geopolitical environment. Based on future financial projections built on reasonable assumptions, the value in use was lower than the carrying value of investments and intercompany receivables.

#### 8 Subsidiaries

Details of the company's subsidiaries at 31 October 2023 are as follows:

Name of undertaking	Address	Nature of business	Class of shares held	% Held	
				Direct	Indirect
ATB 2021 Bidco Limited	1	Intermediate holding company	Ordinary	100.00	-
Whyte Bikes Limited	2	Design, production and distribution of bicycles	Ordinary	-	100.00
Whyte Bikes (Finance) Limited	2	Dormant	Ordinary	-	100.00
Whyte Bikes (Demo Centres) Limited	2	Hiring of bicycles at designated hire centres	Ordinary	-	100.00

Registered office addresses:

1 22 Cross Keys Close, London, England, W1U 2DW

2 Whitworth Road, St. Leonards On Sea, East Sussex, TN37 7PZ

# ATB 2021 MIDCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 OCTOBER 2023

#### 9 Debtors

	2023 £	2022 £
<b>Amounts falling due within one year:</b>		
Amounts owed by group undertakings	6,364,339	9,872,499
Prepayments and accrued income	-	46,523
	<u>6,364,339</u>	<u>9,919,022</u>

The company had amounts owed by group undertakings of £9,872,499 (2022: £9,872,499). This balance has been partially impaired in the period with an amount of £3,508,160 reflected in impairment losses under administrative expenses.

Amounts owed by group undertakings are repayable on demand and do not incur interest.

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

	Notes	2023 £	2022 £
Other borrowings	12	987,247	946,523
Amounts owed to group undertakings		3,960	1,950
		<u>991,207</u>	<u>948,473</u>

Amounts owed to group undertakings are repayable on demand and do not incur interest.

#### 11 Creditors: amounts falling due after more than one year

	Notes	2023 £	2022 £
Other borrowings	12	<u>13,515,263</u>	<u>12,024,739</u>

#### 12 Borrowings

	2023 £	2022 £
Other loans	<u>14,502,510</u>	<u>12,971,262</u>
Payable within one year	987,247	946,523
Payable after one year	<u>13,515,263</u>	<u>12,024,739</u>

Cairngorm Capital Partners LLP have a fixed and floating charge over the company's assets.

# ATB 2021 MIDCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 OCTOBER 2023

#### 12 Borrowings (Continued)

A loan note facility of £9,880,000 was provided by Cairngorm Capital Partners III LLP in February 2021. As at 31 October 2023 the loan note borrowings amounted to £13,515,263 (2022: £12,024,739). Interest is payable on these loan notes at a rate of 12% per annum and is capitalised bi-annually on 30 June and 31 December, with new loans at the same interest rate being issued. The loan notes, including those issued covering annual interest, are repayable in 2028.

A loan note facility of £900,000 was provided by management in February 2021. These loan notes were repayable in February 2023, however the company defaulted on this repayment and the redemption date has subsequently been extended by 12 months. Interest is payable on these loan notes at a rate of 5% (2022: 3%) per annum and is capitalised annually on the first anniversary of the date of the instrument. These loan notes are repayable in February 2024 and are unsecured.

#### 13 Share capital

	2023 Number	2022 Number	2023 £	2022 £
Ordinary share capital Issued and fully paid				
Ordinary shares of 1p each	95,000	95,000	950	950

#### 14 Financial commitments, guarantees and contingent liabilities

Cairngorm Capital Partners LLP have a fixed and floating charge over the company's assets due to the company being a guarantor for the loan notes issued to this company and to other group companies. The value of the loan notes was £23,198,655 at the reporting date (2022: £17,489,590).

#### 15 Related party transactions

The company has taken advantage of exemptions under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland, not to disclose related party transactions with wholly owned subsidiaries within the group.

The ultimate controlling party Cairngorm Capital Partners III, a fund advised by Cairngorm Capital Partners LLP, were due loan interest in respect of Loan Notes during the year of £1,468,724 (2022: £1,339,181). The Loan Notes outstanding to Cairngorm Capital Partners III at the year end are £13,515,263 (2022: £12,024,739).

#### 16 Ultimate controlling party

The company's ultimate parent company is ATB 2021 Topco Limited.

The smallest and largest group which consolidated financial statements are prepared is headed by ATB 2021 Topco Limited. Copies of its consolidated financial statements can be obtained from the company's board of directors at 22 Cross Keys Close, London, England, W1U 2DW.

The ultimate controlling party is Cairngorm Capital Partners III, a fund advised by Cairngorm Capital Partners LLP.