

Company Registration No. 03799445 (England and Wales)

**MERCERS LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**  
**PAGES FOR FILING WITH REGISTRAR**

**MERCERS LIMITED**

**CONTENTS**

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	<b>Page</b>
Balance sheet	1
Notes to the financial statements	2 - 7

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# MERCERS LIMITED

## BALANCE SHEET

**AS AT 31 DECEMBER 2019**

	Notes	2019 £	£	2018 £	£
<b>Fixed assets</b>					
Tangible assets	3		35,110		33,934
<b>Current assets</b>					
Debtors	4	470,625		626,792	
Cash at bank and in hand		530,702		585,297	
		<u>1,001,327</u>		<u>1,212,089</u>	
<b>Creditors: amounts falling due within one year</b>	5	<u>(7,981)</u>		<u>(87,383)</u>	
<b>Net current assets</b>			993,346		1,124,706
<b>Total assets less current liabilities</b>			<u>1,028,456</u>		<u>1,158,640</u>
<b>Capital and reserves</b>					
Called up share capital	6		100		100
Profit and loss reserves			1,028,356		1,158,540
<b>Total equity</b>			<u>1,028,456</u>		<u>1,158,640</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 December 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the board of directors and authorised for issue on 6 March 2020 and are signed on its behalf by:

Mr. C. R. Mercer  
**Director**

**Company Registration No. 03799445**

# MERCERS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2019

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#### 1 Accounting policies

##### Company information

Mercers Limited is a private company limited by shares incorporated in England and Wales. The registered office is 10 Station Road, Henley on Thames, Oxfordshire, RG9 1AY and the business address is 37 Manor Road, Henley on Thames, Oxfordshire, RG9 1LU.

##### 1.1 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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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.

##### 1.2 Going concern

The Company decided to cease trading on 6th February 2020 and will be taking the necessary steps to have the Company wound up. Therefore these accounts have not been prepared on a going concern basis.

##### 1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

##### 1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings Freehold	2% Straight line on building cost (Land not depreciated)
Computer equipment	25% Straight line on cost
Fixtures, fittings & equipment	20% Reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

##### 1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

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# MERCERS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

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### 1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.6 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.7 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 in the company's balance sheet 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.

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

Basic financial assets, which include debtors and cash and bank balances, 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 transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **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.

# MERCERS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2019**

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### 1 Accounting policies

(Continued)

#### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### 1.8 Equity instruments

Equity instruments issued by the company are recorded at the 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.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

#### 1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

##### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

##### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

# MERCERS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

### 1 Accounting policies

(Continued)

#### 1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.11 Foreign exchange

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the average monthly rate ruling at the date of the transaction. All differences are taken to profit and loss account.

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 2 (2018 - 2).

### 3 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
<b>Cost</b>			
At 1 January 2019	38,559	1,475	40,034
Additions	-	2,158	2,158
Disposals	-	(1,096)	(1,096)
	<u>38,559</u>	<u>2,537</u>	<u>41,096</u>
At 31 December 2019	38,559	2,537	41,096
	<u>38,559</u>	<u>2,537</u>	<u>41,096</u>
<b>Depreciation and impairment</b>			
At 1 January 2019	4,625	1,475	6,100
Depreciation charged in the year	514	468	982
Eliminated in respect of disposals	-	(1,096)	(1,096)
	<u>5,139</u>	<u>847</u>	<u>5,986</u>
At 31 December 2019	5,139	847	5,986
	<u>5,139</u>	<u>847</u>	<u>5,986</u>
<b>Carrying amount</b>			
At 31 December 2019	33,420	1,690	35,110
	<u>33,420</u>	<u>1,690</u>	<u>35,110</u>
At 31 December 2018	33,934	-	33,934
	<u>33,934</u>	<u>-</u>	<u>33,934</u>

# MERCERS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

### 4 Debtors

	2019	2018
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	553	-
Other debtors	470,072	581,556
	<u>470,625</u>	<u>581,556</u>
	<u><u>470,625</u></u>	<u><u>581,556</u></u>
<b>Amounts falling due after more than one year:</b>	<b>£</b>	<b>£</b>
Other debtors	-	45,236
	<u>-</u>	<u>45,236</u>
	<u><u>-</u></u>	<u><u>45,236</u></u>
<b>Total debtors</b>	<b>470,625</b>	<b>626,792</b>
	<u><u>470,625</u></u>	<u><u>626,792</u></u>

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

	2019	2018
	£	£
Trade creditors	2,400	1,200
Taxation and social security	785	429
Other creditors	4,796	85,754
	<u>7,981</u>	<u>87,383</u>
	<u><u>7,981</u></u>	<u><u>87,383</u></u>

### 6 Called up share capital

	2019	2018
	£	£
<b>Ordinary share capital Issued and fully paid</b>		
100 Ordinary of £1 each	100	100
	<u>100</u>	<u>100</u>
	<u><u>100</u></u>	<u><u>100</u></u>

### 7 Events after the reporting date

On 6th February 2020, the Directors took the decision that the Company will cease trading and will therefore take appropriate action for the Company to be wound up by virtue of a Members Voluntary Liquidation.



# MERCERS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

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### 8 Related party transactions

#### Mercers Spain SL

Mercers Spain SL is a related party, in which the directors of Mercers Limited are the sole shareholders.

At the start of the year the Company owed Mercers Spain SL £74,259. During the year Mercers Limited paid expenses on behalf of Mercers Spain SL of £ nil (2018: £nil), and Mercers Limited invoiced Mercers Spain SL £185,977 (2018: £218,047). Also during the year, Mercers Spain SL made payments of £69,477 (2018: £486,541) to Mercers Limited. As at 31st December 2019, Mercers Spain SL owed the Company £42,241.

#### Trafalgar Properties SL

Trafalgar Properties SL is a related party, in which the directors of Mercers Limited have joint control.

At the start of the year Trafalgar Properties SL owed Mercers Limited £579,741. During the year Trafalgar Properties SL made loan repayments of £nil (2018: £97,500) and it was agreed that £170,958 was no longer recoverable. At 31st December 2019, the Company was owed £408,783 (2018: £579,741) by Trafalgar Properties SL.

### 9 Directors' transactions

As at 1 January 2018, the company owed the directors £9,411. During the year the directors introduced funds into the company of £125,217 (2018: £nil) and paid expenses on behalf of the company of £nil (2018: £1,521). The company made payments on behalf of the directors of £152,516 (2018: £17,351) and as at 31 December 2019 the directors owed the company £17,888

