

Unaudited Financial Statements
for the Year Ended 31 December 2018
for
The Merchantman Limited

Contents of the Financial Statements
for the Year Ended 31 December 2018

	Page
Company Information	1
Balance Sheet	2
Notes to the Financial Statements	3

The Merchantman Limited
Company Information
for the Year Ended 31 December 2018

DIRECTORS: M J Whitefield
Mrs J E Whitefield

SECRETARY: M J Whitefield

REGISTERED OFFICE: Metherell Gard
Burn View
Bude
Cornwall
EX23 8BX

REGISTERED NUMBER: 04444775 (England and Wales)

ACCOUNTANTS: Metherell Gard Ltd
Chartered Accountants
Burn View
Bude
Cornwall
EX23 8BX

Balance Sheet
31 December 2018

	Notes	2018 £	£	2017 £	£
FIXED ASSETS					
Tangible assets	4		38,199		45,730
CURRENT ASSETS					
Stocks		193,866		209,170	
Debtors	5	6,982		6,466	
Cash at bank and in hand		112,285		113,608	
		313,133		329,244	
CREDITORS					
Amounts falling due within one year	6	271,641		308,122	
NET CURRENT ASSETS			41,492		21,122
TOTAL ASSETS LESS CURRENT LIABILITIES			79,691		66,852
PROVISIONS FOR LIABILITIES			5,200		10,300
NET ASSETS			74,491		56,552
CAPITAL AND RESERVES					
Called up share capital			100		100
Retained earnings			74,391		56,452
SHAREHOLDERS' FUNDS			74,491		56,552

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2018.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2018 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.
- (b)

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

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

The financial statements were approved by the Board of Directors on 26 September 2019 and were signed on its behalf by:

M J Whitefield - Director

Notes to the Financial Statements
for the Year Ended 31 December 2018

1. STATUTORY INFORMATION

The Merchantman Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Sale of goods

Revenue is recognised for the sale of goods when the vendor has transferred the significant risks and rewards of ownership, it is probable that the economic benefit will flow to the entity and the revenue and associated costs can be reliably measured.

Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Land and buildings - 10% on cost and Over the life of the lease
Plant and machinery etc - 20% on reducing balance and 10% on reducing balance

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase and other costs incurred in bringing stock to its present location and condition. Cost is calculated using the first in, first out formula. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

Financial instruments

All financial instruments are recognised initially at transaction price excluding transaction costs and subsequently at amortised cost. These include fixed asset investments, cash at bank, trade and other debtors and trade and other creditors.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from

those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Page 30 continued...

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2018**

2. ACCOUNTING POLICIES - continued

Leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 18 (2017 - 14) .

4. TANGIBLE FIXED ASSETS

	Land and buildings £	Plant and machinery etc £	Totals £
COST			
At 1 January 2018	19,247	93,574	112,821
Additions	-	391	391
Disposals	-	(1,723)	(1,723)
At 31 December 2018	19,247	92,242	111,489
DEPRECIATION			
At 1 January 2018	8,838	58,253	67,091
Charge for year	1,487	6,109	7,596
Eliminated on disposal	-	(1,397)	(1,397)
At 31 December 2018	10,325	62,965	73,290
NET BOOK VALUE			
At 31 December 2018	8,922	29,277	38,199
At 31 December 2017	10,409	35,321	45,730

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Other debtors	6,982	6,466

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Trade creditors	6,882	6,005
Taxation and social security	23,389	16,746
Other creditors	241,370	285,371
	271,641	308,122

Notes to the Financial Statements - continued
for the Year Ended 31 December 2018

7. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2018	2017
	£	£
Within one year	11,000	11,000
Between one and five years	<u>25,413</u>	<u>36,413</u>
	<u>36,413</u>	<u>47,413</u>