Company Registration No. 06348222 (England and Wales)

# MERSTOW GREEN LIMITED

## UNAUDITED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 AUGUST 2017

## PAGES FOR FILING WITH REGISTRAR

# MERSTOW GREEN LIMITED

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# MERSTOW GREEN LIMITED

## STATEMENT OF FINANCIAL POSITION

### *AS AT 31 AUGUST 2017*

| | Notes | 2017 | | 2016 | |
|---|---|---|---|---|---|
| | | £ | £ | £ | £ |
| **Fixed assets** | | | | | |
| Property, plant and equipment | 3 | | 150,906 | | 167,611 |
| **Current assets** | | | | | |
| Inventories | | 7,475 | | 6,960 | |
| Trade and other receivables | 4 | 188,050 | | 155,905 | |
| Cash and cash equivalents | | 76,219 | | 35,494 | |
| | | 271,744 | | 198,359 | |
| **Current liabilities** | 5 | (110,144) | | (85,546) | |
| **Net current assets** | | | 161,600 | | 112,813 |
| **Total assets less current liabilities** | | | 312,506 | | 280,424 |
| **Non-current liabilities** | 6 | | (73,643) | | (82,194) |
| **Provisions for liabilities** | | | (8,920) | | (11,869) |
| **Net assets** | | | 229,943 | | 186,361 |
| **Equity** | | | | | |
| Called up share capital | 8 | | 100 | | 100 |
| Retained earnings | | | 229,843 | | 186,261 |
| **Total equity** | | | 229,943 | | 186,361 |

The directors of the company have elected not to include a copy of the income statement within the financial statements.

For the financial year ended 31 August 2017 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.

## STATEMENT OF FINANCIAL POSITION (CONTINUED)

*AS AT 31 AUGUST 2017*

The financial statements were approved by the board of directors and authorised for issue on 21 May 2018 and are signed on its behalf by:

P Tomlins
**Director**

**Company Registration No. 06348222**

## 1 Accounting policies

**Company information**

Merstow Green Limited is a private company limited by shares incorporated in England and Wales. The registered office is Merstow Green Funeral Home, 20 Merstow Green, Evesham, Worcestershire, WR11 4BD.

### 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 a mounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention.

These financial statements for the year ended 31 August 2017 are the first financial statements of Merstow Green Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 September 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

### 1.2 Revenue

Revenue is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business.

### 1.3 Property, plant and equipment

Property, plant and equipment 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 leasehold | 10% on cost |
| Plant and machinery | 15% reducing balance |
| Fixtures, fittings & equipment | 25% reducing balance |
| Motor vehicles | 15% 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.

### 1.4 Impairment of non-current 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.

### 1.5 Inventories

Inventories are stated at the lower of cost and estimated selling price less costs.

**1 Accounting policies** **(Continued)**

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of inventories over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

**1.6 Cash and cash equivalents**

Cash and cash equivalents are basic financial assets and include cash in hand.

**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 statement of financial position 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 trade and other receivables 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.

***Basic financial liabilities***

Basic financial liabilities, including trade and other payables, 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 payables 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 payables 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 direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

**1.9 Taxation**

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

**1 Accounting policies** **(Continued)**

***Current tax***

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement 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 income statement, 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.

**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 non-current 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 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

**1.12 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

**2 Employees**

The average monthly number of persons (including directors) employed by the company during the year was 15 (2016 - 14).

3 **Property, plant and equipment**

| | Land and buildings | Plant and machinery etc | Total |
|---|---|---|---|
| | £ | £ | £ |
| **Cost** | | | |
| At 1 September 2016 | 15,175 | 374,504 | 389,679 |
| Additions | - | 20,555 | 20,555 |
| Disposals | - | (21,879) | (21,879) |
| At 31 August 2017 | 15,175 | 373,180 | 388,355 |
| **Depreciation and impairment** | | | |
| At 1 September 2016 | 3,035 | 219,033 | 222,068 |
| Depreciation charged in the year | 1,518 | 27,490 | 29,008 |
| Eliminated in respect of disposals | - | (13,627) | (13,627) |
| At 31 August 2017 | 4,553 | 232,896 | 237,449 |
| **Carrying amount** | | | |
| At 31 August 2017 | 10,622 | 140,284 | 150,906 |
| At 31 August 2016 | 12,140 | 155,471 | 167,611 |

4 **Trade and other receivables**

| | 2017 | 2016 |
|---|---|---|
| **Amounts falling due within one year:** | £ | £ |
| Trade receivables | 104,892 | 77,246 |
| Other receivables | 83,158 | 78,659 |
| | 188,050 | 155,905 |

5 **Current liabilities**

| | 2017 | 2016 |
|---|---|---|
| | £ | £ |
| Bank loans and overdrafts | 10,451 | 11,903 |
| Trade payables | 23,844 | 19,255 |
| Corporation tax | 28,155 | 17,435 |
| Other taxation and social security | 5,816 | 5,567 |
| Other payables | 41,878 | 31,386 |
| | 110,144 | 85,546 |

## 6 Non-current liabilities

| | 2017 | 2016 |
|---|---|---|
| | £ | £ |
| Bank loans and overdrafts | 43,643 | 52,194 |
| Other payables | 30,000 | 30,000 |
| | 73,643 | 82,194 |

## 7 Other creditors falling due after one year

The loans and overdraft are secured by fixed and floating charges over the assets of the company. PD Tomlins has provided a personal guarantee of £55,000.

## 8 Called up share capital

| | 2017 | 2016 |
|---|---|---|
| | £ | £ |
| **Ordinary share capital** | | |
| **Issued and fully paid** | | |
| 100 Ordinary shares of £1 each | 100 | 100 |
| | 100 | 100 |

## 9 Capital commitments

Amounts contracted for but not provided in the financial statements:

| | 2017 | 2016 |
|---|---|---|
| | £ | £ |
| Acquisition of property, plant and equipment | 8,735 | - |

## 10 Related party transactions

Included in debtors is a loan of £70,700 (2016:£67,200) to Merstow Green (Properties) Limited, a connected company. The loan is interest free and repayable on demand.

## 11 Directors' transactions

As at the balance sheet date the directors were owed £65,703 (2016: £48,744),The loan is interest free and repayable on demand.

Dividends totalling £56,250 (2016 - £50,000) were paid in the year in respect of shares held by the company's directors.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.