

Merityre Properties Limited
Annual Report and Unaudited Financial Statements
Year Ended 31 March 2018

Registration number: 00604053

Merityre Properties Limited

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Merityre Properties Limited

Company Information

Directors Mr N C Pope
Mr J J Pope

Company secretary Mr G D Allen

Registered office West Way
Walworth Industrial Estate
Andover
Hampshire
SP10 5JG

Accountants PKF Francis Clark
2 - 8 Towngate House
Parkstone Road
Poole
Dorset
BH15 2PW

Merityre Properties Limited

Balance Sheet

31 March 2018

	Note	2018 £	(As restated) 2017 £
Fixed assets			
Investment property	<u>4</u>	2,100,000	1,740,000
Current assets			
Debtors	<u>5</u>	16,187	33,251
Cash at bank and in hand		<u>103,956</u>	<u>124,847</u>
		120,143	158,098
Creditors: Amounts falling due within one year	<u>6</u>	<u>(168,230)</u>	<u>(220,844)</u>
Net current liabilities		<u>(48,087)</u>	<u>(62,746)</u>
Total assets less current liabilities		2,051,913	1,677,254
Creditors: Amounts falling due after more than one year	<u>6</u>	(90,219)	(128,957)
Provisions for liabilities		<u>(7,046)</u>	-
Net assets		<u>1,954,648</u>	<u>1,548,297</u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		<u>1,954,548</u>	<u>1,548,197</u>
Total equity		<u>1,954,648</u>	<u>1,548,297</u>

The notes on pages 4 to 8 form an integral part of these financial statements.

Merityre Properties Limited

Balance Sheet

31 March 2018

For the financial year ending 31 March 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared and delivered in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 22 October 2018 and signed on its behalf by:

.....
Mr N C Pope
Director

.....
Mr J J Pope
Director

Company Registration Number: 00604053

The notes on pages 4 to 8 form an integral part of these financial statements.

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Merityre Properties Limited

Notes to the Financial Statements

Year Ended 31 March 2018

1 General information

The company is a private company limited by share capital, incorporated in United Kingdom.

The address of its registered office is:

West Way
Walworth Industrial Estate
Andover
Hampshire
SP10 5JG
United Kingdom

2 Accounting policies

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.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

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.

The presentation currency of the financial statements is Sterling, rounded to the nearest whole pound.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for rents and insurance premiums recharged.

Tax

Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current corporation tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred tax is recognised on all timing differences at the balance sheet date unless indicated below. Timing differences are differences between taxable profits and the results as stated in the profit and loss account and other comprehensive income. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Merityre Properties Limited

Notes to the Financial Statements

Year Ended 31 March 2018

Investment property

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by external valuers. The valuers use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in profit or loss.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Financial instruments

Classification

The company holds the following financial instruments:

- Short term trade and other debtors and creditors;
- Bank loans; and
- Cash and bank balances.

All financial instruments are classified as basic.

Recognition and measurement

The company has chosen to apply the recognition and measurement principles in FRS102.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument and derecognised when in the case of assets, the contractual rights to cash flows from the assets expire or substantially all the risks and rewards of ownership are transferred to another party, or in the case of liabilities, when the company's obligations are discharged, expire or are cancelled.

Except for bank loans, such instruments are initially measured at transaction price, including transaction costs, and are subsequently carried at the undiscounted amount of the cash or other consideration expected to be paid or received, after taking account of impairment adjustments.

Bank loans are initially measured at transaction price, including transaction costs, and are subsequently carried at amortised cost using the effective interest method.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 5 (2017 - 4).

Merityre Properties Limited

Notes to the Financial Statements

Year Ended 31 March 2018

4 Investment properties

	2018 £
At 1 April 2017	1,740,000
Fair value adjustments	<u>360,000</u>
At 31 March 2018	<u><u>2,100,000</u></u>

The company's properties were professionally valued at existing use value as at 31 March 2018 at £2,100,000 by Willett Tippet, property consultants and international valuers.

5 Debtors

	2018 £	2017 £
Other debtors	13,573	18,300
Prepayments	<u>2,614</u>	<u>14,951</u>
	<u><u>16,187</u></u>	<u><u>33,251</u></u>

6 Creditors

Creditors: amounts falling due within one year

	2018 £	2017 £
Due within one year		
Loans and borrowings	7 38,100	54,372
Corporation tax	15,577	9,544
Social security and other taxes	27,289	29,133
Accrued expenses	<u>87,264</u>	<u>127,795</u>
	<u><u>168,230</u></u>	<u><u>220,844</u></u>

Due after one year

Loans and borrowings	7 <u>90,219</u>	<u>128,957</u>
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Creditors: amounts falling due after more than one year

	2018 £	2017 £
Due after one year		
Loans and borrowings	7 <u>90,219</u>	<u>128,957</u>

Merityre Properties Limited

Notes to the Financial Statements

Year Ended 31 March 2018

7 Loans and borrowings

	2018 £	2017 £
Loans and borrowings due after one year		
Bank borrowings	90,219	128,957

	2018 £	2017 £
Current loans and borrowings		
Bank borrowings	38,100	54,372

8 Share capital

Allotted, called up and fully paid shares

	No.	2018 £	No.	2017 £
Ordinary shares of £1 each	100	100	100	100

9 Reserves

Included in profit and loss reserves is £543,224 (2017: £194,557) of non-distributable reserves.

10 Financial commitments, guarantees and contingencies

Amounts not provided for in the balance sheet

The total amount of financial commitments not included in the balance sheet is £4,324,000 (2017 - £4,370,000).

11 Related party transactions

Summary of transactions with entities with joint control or significant interest

Merityre Specialists Limited

During the year the company received rent and insurance recharges amounting to £236,571 (2017: £240,055) from Merityre Specialists Limited, a company in which J J Pope and N C Pope are directors and shareholders.

Merityre Properties Limited

Notes to the Financial Statements

Year Ended 31 March 2018

12 Prior year adjustment

In the accounts for the year ended 31 March 2017, the property held by the company should have been re-classified as 'investment property' under FRS 102.

Therefore the amount of £373,112 shown in the revaluation reserve at 31 March 2017 has now been transferred to the retained profit and loss reserves. The properties have also been transferred from freehold and leasehold properties to investment properties. As the properties were already valued at fair value there is no change to the value of the properties as at 31 March 2017.

In addition depreciation previously charged has now been reversed as follows:

Reconciliation of profit and loss reserves as at 31 March 2017

	£
Original profit and loss reserves at 31 March 2017	1,105,485
Transfer of revaluation reserve	373,112
Remove depreciation charge for the year ended 31 March 2016	34,800
Remove depreciation charge for the year ended 31 March 2017	34,800
Restated profit and loss reserves at 31 March 2017	<u>1,548,197</u>

Reconciliation of Profit and Loss for the year ended 31 March 2017

	£
Original profit for the year ended 31 March 2017	19,854
Remove depreciation charge on property	34,800
Deferred tax movement	(179)
Restated profit for the year ended 31 March 2018	<u>54,475</u>

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.