

**MERLEWOOD ESTATES LIMITED**  
**DIRECTOR'S REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2014**

**REGISTRAR'S COPY  
OF ACCOUNTS**

**Cavendish**  
Chartered Certified Accountants  
4th Floor, Centre Heights  
137 Finchley Road  
London NW3 6JG

Ref : 589

WEDNESDAY



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04/03/2015  
COMPANIES HOUSE

# MERLEWOOD ESTATES LIMITED

## COMPANY INFORMATION

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|                   |  |
|-------------------|--|
| Director          | C P Farrell  |
| Secretary         | S Smith  |
| Company number    | 1704435  |
| Registered office | 4th Floor Centre Heights<br>137 Finchley Road<br>London<br>NW3 6JG   |
| Accountants       | Cavendish<br>Chartered Certified Accountants<br>4th Floor, Centre Heights<br>137 Finchley Road<br>London NW3 6JG |
| Business address  | Ryewater Nursery<br>Folke, Sherborne<br>Dorset<br>DT9 5PL  |
| Bankers           | Bank of Scotland plc<br>West End Office<br>14-16 Cockspur Street<br>London<br>SW1Y 5BL                           |

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# MERLEWOOD ESTATES LIMITED

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# MERLEWOOD ESTATES LIMITED

## DIRECTOR'S REPORT

**FOR THE YEAR ENDED 30 JUNE 2014**

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The director presents his report and financial statements for the year ended 30 June 2014.

### Principal activities

The principal activity of the company in the year under review continued to be that of property dealing.

### Director

The following director has held office since 1 July 2013:

C P Farrell

### Statement of director's responsibilities

The director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is 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 director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

By order of the board



S Smith

**Secretary**

29 January 2015

# **MERLEWOOD ESTATES LIMITED**

## **ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF MERLEWOOD ESTATES LIMITED FOR THE YEAR ENDED 30 JUNE 2014**

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You consider that the company is exempt from an audit for the year ended 30 June 2014. You have acknowledged, on the balance sheet, your responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Companies Act 2006, and for preparing accounts which give a true and fair view of the state of affairs of the company and of its profit or loss for the financial year.

In accordance with your instructions, we have prepared these accounts on pages 3 to 9 from the accounting records of the company and on the basis of information and explanations you have given us.

We have not carried out an audit or any other review, and consequently we do not express any opinion on these accounts.



**Cavendish  
Chartered Certified Accountants**

30 January 2015  
4th Floor, Centre Heights  
137 Finchley Road  
London NW3 6JG

# MERLEWOOD ESTATES LIMITED

## PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2014

|   | Notes     | 2014<br>£      | 2013<br>£       |
|---|-----------|----------------|-----------------|
| Turnover  |           | 1,154,950      | 29,000          |
| Cost of sales   |           | (1,050,209)    | (4,714)         |
| <b>Gross profit</b>   |           | <b>104,741</b> | <b>24,286</b>   |
| Distribution costs  |           | (48,701)       | (41,555)        |
| Administrative expenses                                     |           | (82,253)       | (66,588)        |
| Other operating income                                      |           | 61,179         | 47,869          |
| <b>Operating profit/(loss)</b>                              | <b>2</b>  | <b>34,966</b>  | <b>(35,988)</b> |
| Investment income   | <b>3</b>  | 165,897        | 11,700          |
| Other interest receivable and similar income                | <b>3</b>  | 810            | -               |
| Amounts written off investments                             | <b>4</b>  | 36,000         | -               |
| Interest payable and similar charges                        |           | (14,623)       | (13,128)        |
| <b>Profit/(loss) on ordinary activities before taxation</b> |           | <b>223,050</b> | <b>(37,416)</b> |
| Tax on profit/(loss) on ordinary activities                 | <b>5</b>  | (34,439)       | -               |
| <b>Profit/(loss) for the year</b>                           | <b>11</b> | <b>188,611</b> | <b>(37,416)</b> |

# MERLEWOOD ESTATES LIMITED

## STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 30 JUNE 2014

|  | Notes | 2014<br>£ | 2013<br>£ |
|--|-------|-----------|-----------|
| Profit/(loss) for the financial year                   |       | 188,611   | (37,416)  |
| Unrealised surplus on trade investment                 |       | 36,000    | -         |
| Total recognised gains and losses relating to the year |       | 224,611   | (37,416)  |

### Note of historical cost profits and losses

|   | 2014<br>£ | 2013<br>£ |
|---|-----------|-----------|
| Reported profit/(loss) on ordinary activities before taxation   | 223,050   | (37,416)  |
| Realisation of property revaluation gains of previous years   | (20,000)  | -         |
| Historical cost profit/(loss) on ordinary activities before taxation                                  | 203,050   | (37,416)  |
| Historical cost profit/(loss) for the year retained after taxation, extraordinary items and dividends | 168,611   | (37,416)  |

# MERLEWOOD ESTATES LIMITED

## BALANCE SHEET

AS AT 30 JUNE 2014

|   | Notes | 2014<br>£ | £       | 2013<br>£ | £       |
|---|-------|-----------|---------|-----------|---------|
| <b>Fixed assets</b>                                   |       |           |         |           |         |
| Tangible assets                                       | 6     |           | 2,666   |           | 1,372   |
| Investments   | 7     |           | 195,001 |           | 4,001   |
| <b>Current assets</b>                                 |       |           |         |           |         |
| Stocks  |       | 725,500   |         | 856,936   |         |
| Debtors   | 8     | 137,073   |         | 230,315   |         |
|   |       | 862,573   |         | 1,087,251 |         |
| <b>Creditors: amounts falling due within one year</b> | 9     | (433,067) |         | (829,061) |         |
| <b>Net current assets</b>                             |       |           | 429,506 |           | 258,190 |
| <b>Total assets less current liabilities</b>          |       |           | 627,173 |           | 263,563 |
| <b>Capital and reserves</b>                           |       |           |         |           |         |
| Called up share capital                               | 10    |           | 100     |           | 100     |
| Revaluation reserve                                   | 11    |           | 175,000 |           | -       |
| Profit and loss account                               | 11    |           | 452,073 |           | 263,463 |
| <b>Shareholders' funds</b>                            |       |           | 627,173 |           | 263,563 |

For the financial year ended 30 June 2014 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

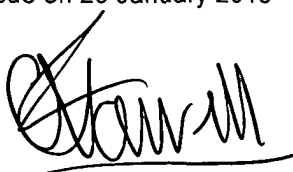
Director's responsibilities:

- The member has not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved by the Board for issue on 29 January 2015

C P Farrell  
Director



Company Registration No. 1704435



# MERLEWOOD ESTATES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014

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### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of unlisted investments and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2008).

#### 1.2 Turnover

Turnover represents sales of properties and income from joint ventures and commission during the year net of VAT.

#### 1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

|                                |                      |
|--------------------------------|----------------------|
| Fixtures, fittings & equipment | 25% reducing balance |
|--------------------------------|----------------------|

#### 1.4 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

If the shares in Tortelli Limited are sold at their market value then it will give rise to a tax charge of £35,000.

#### 1.5 Stock

Stock is valued at the lower of cost and net realisable value.

### 2 Operating profit/(loss)

|   | 2014 | 2013 |
|---|------|------|
|   | £    | £    |
| Operating profit/(loss) is stated after charging: |      |      |
| Depreciation of tangible assets                   | 889  | 457  |

### 3 Investment income

|                                     | 2014           | 2013          |
|-------------------------------------|----------------|---------------|
|                                     | £              | £             |
| Income from fixed asset investments | 165,897        | 11,700        |
| Other interest                      | 810            | -             |
|                                     | <u>166,707</u> | <u>11,700</u> |

# MERLEWOOD ESTATES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 JUNE 2014

| 4 | Amounts written off investments                              | 2014<br>£ | 2013<br>£ |
|---|--|-----------|-----------|
|   | Amounts written off investments in prior years written back: |           |           |
|   | - fixed assets   | (36,000)  | -         |

The write back is to reinstate value of the investment at the cost of £40,000.

| 5 | Taxation                  | 2014<br>£ | 2013<br>£ |
|---|---------------------------|-----------|-----------|
|   | Domestic current year tax |           |           |
|   | U.K. corporation tax      | 34,439    | -         |
|   | Total current tax         | 34,439    | -         |

| 6 | Tangible fixed assets | Plant and<br>machinery etc<br>£ |
|---|-----------------------|---------------------------------|
|   | Cost or valuation     |                                 |
|   | At 1 July 2013        | 9,144                           |
|   | Additions             | 2,183                           |
|   | At 30 June 2014       | 11,327                          |
|   | Depreciation          |                                 |
|   | At 1 July 2013        | 7,772                           |
|   | Charge for the year   | 889                             |
|   | At 30 June 2014       | 8,661                           |
|   | Net book value        |                                 |
|   | At 30 June 2014       | 2,666                           |
|   | At 30 June 2013       | 1,372                           |

# MERLEWOOD ESTATES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2014

### 7 Fixed asset investments

|   | Unlisted<br>investments<br>£ |
|---|------------------------------|
| <b>Cost or valuation</b>                  |                              |
| At 1 July 2013                            | 4,001                        |
| Revaluation                               | 175,000                      |
| Disposals                                 | (20,000)                     |
|   | <hr/>                        |
| At 30 June 2014                           | 159,001                      |
|   | <hr/>                        |
| <b>Provisions for diminution in value</b> |                              |
| At 1 July 2013                            | -                            |
| Charge for the year                       | (36,000)                     |
|   | <hr/>                        |
| At 30 June 2014                           | (36,000)                     |
|   | <hr/>                        |
| <b>Net book value</b>                     |                              |
| At 30 June 2014                           | 195,001                      |
|   | <hr/> <hr/>                  |

| 8 Debtors     | 2014<br>£   | 2013<br>£   |
|---------------|-------------|-------------|
| Trade debtors | 49,635      | -           |
| Other debtors | 84,554      | 230,315     |
|               | <hr/>       | <hr/>       |
|               | 137,073     | 230,315     |
|               | <hr/> <hr/> | <hr/> <hr/> |

| 9 Creditors: amounts falling due within one year | 2014<br>£   | 2013<br>£   |
|--|-------------|-------------|
| Bank overdraft                                   | 100,653     | 515,461     |
| Trade creditors                                  | 6,645       | -           |
| Taxation and social security                     | 34,439      | -           |
| Director's Current Account                       | 212,830     | 217,350     |
| Other creditors                                  | 78,500      | 96,250      |
|  | <hr/>       | <hr/>       |
|  | 433,067     | 829,061     |
|  | <hr/> <hr/> | <hr/> <hr/> |

The bank overdraft is secured by fixed and floating charges over all of the company's assets.

# MERLEWOOD ESTATES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 JUNE 2014

| 10 Share capital                   | 2014<br>£ | 2013<br>£ |
|------------------------------------|-----------|-----------|
| Allotted, called up and fully paid |           |           |
| 100 Ordinary shares of £1 each     | 100       | 100       |

| 11 Statement of movements on reserves | Revaluation<br>reserve<br>£ | Profit and<br>loss<br>account<br>£ |
|---------------------------------------|-----------------------------|------------------------------------|
| Balance at 1 July 2013                | -                           | 263,462                            |
| Profit for the year                   | -                           | 188,611                            |
| Revaluation during the year           | 175,000                     | -                                  |
| Balance at 30 June 2014               | 175,000                     | 452,073                            |

## 12 Control

The company's ultimate controlling party is C P Farrell by virtue of his 100% shareholding in the company.

## 13 Related party relationships and transactions

Other debtors include £81,821 (2013: £215,694) owed by Traitbond Limited.

This company's director, C P Farrell, is also a director and shareholder of Traitbond Limited.

Included in creditors is an amount of £212,830 (2013: £217,350) owed to C P Farrell, director of the company.