

UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2021
FOR
MERGE SERVICES LTD

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FOR THE YEAR ENDED 28 FEBRUARY 2021

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MERGE SERVICES LTD
COMPANY INFORMATION
FOR THE YEAR ENDED 28 FEBRUARY 2021

DIRECTOR: C Morgan

SECRETARY:

REGISTERED OFFICE: Myrtle Hill
Five Roads
Llanelli
Carmarthenshire
SA15 5AJ

REGISTERED NUMBER: 06091253 (England and Wales)

ACCOUNTANTS: Charles & Co
Chartered Certified Accountants
3 Murray Street
Llanelli
Carmarthenshire
SA15 1AQ

MERGE SERVICES LTD (REGISTERED NUMBER: 06091253)

BALANCE SHEET
28 FEBRUARY 2021

	Notes	2021 £	£	2020 £	£
FIXED ASSETS					
Intangible assets	4		3,000		3,500
Tangible assets	5		<u>285,780</u>		<u>312,906</u>
			288,780		316,406
CURRENT ASSETS					
Stocks		256,646		178,286	
Debtors	6	397,266		533,616	
Cash at bank and in hand		<u>2,114</u>		<u>23,489</u>	
		656,026		735,391	
CREDITORS					
Amounts falling due within one year	7	<u>385,547</u>		<u>407,642</u>	
NET CURRENT ASSETS			<u>270,479</u>		<u>327,749</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			559,259		644,155
CREDITORS					
Amounts falling due after more than one year	8		<u>240,713</u>		<u>275,615</u>
NET ASSETS			<u>318,546</u>		<u>368,540</u>
CAPITAL AND RESERVES					
Called up share capital			2		2
Retained earnings			<u>318,544</u>		<u>368,538</u>
SHAREHOLDERS' FUNDS			<u>318,546</u>		<u>368,540</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 28 February 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 28 February 2021 in accordance with Section 476 of the Companies Act 2006.

The director acknowledges his responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) 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.

MERGE SERVICES LTD (REGISTERED NUMBER: 06091253)

BALANCE SHEET - continued
28 FEBRUARY 2021

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 director and authorised for issue on 2 July 2021 and were signed by:

C Morgan - Director

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2021

1. **STATUTORY INFORMATION**

Merge Services Ltd 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.

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.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2007, is being amortised evenly over its estimated useful life of twenty years.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 20% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 20% on reducing balance

Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost is calculated using the first-in, first-out method and includes all purchase, transport, and handling costs in bringing stocks to their present location and condition.

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.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 28 FEBRUARY 2021

2. ACCOUNTING POLICIES - continued

Hire purchase and 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 20 (2020 - 25) .

4. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 March 2020	
and 28 February 2021	<u>10,000</u>
AMORTISATION	
At 1 March 2020	6,500
Amortisation for year	<u>500</u>
At 28 February 2021	<u>7,000</u>
NET BOOK VALUE	
At 28 February 2021	<u>3,000</u>
At 29 February 2020	<u>3,500</u>

5. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 March 2020	77,169	333,195	32,268	2,080	444,712
Disposals	<u>-</u>	<u>(10,900)</u>	<u>-</u>	<u>-</u>	<u>(10,900)</u>
At 28 February 2021	<u>77,169</u>	<u>322,295</u>	<u>32,268</u>	<u>2,080</u>	<u>433,812</u>
DEPRECIATION					
At 1 March 2020	-	115,812	14,349	1,645	131,806
Charge for year	-	21,394	2,240	43	23,677
Eliminated on disposal	<u>-</u>	<u>(7,451)</u>	<u>-</u>	<u>-</u>	<u>(7,451)</u>
At 28 February 2021	<u>-</u>	<u>129,755</u>	<u>16,589</u>	<u>1,688</u>	<u>148,032</u>
NET BOOK VALUE					
At 28 February 2021	<u>77,169</u>	<u>192,540</u>	<u>15,679</u>	<u>392</u>	<u>285,780</u>
At 29 February 2020	<u>77,169</u>	<u>217,383</u>	<u>17,919</u>	<u>435</u>	<u>312,906</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 28 FEBRUARY 2021

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade debtors	182,328	228,149
Other debtors	214,938	305,467
	<u>397,266</u>	<u>533,616</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Bank loans and overdrafts	103,770	105,422
Trade creditors	202,459	246,113
Taxation and social security	52,749	31,279
Other creditors	26,569	24,828
	<u>385,547</u>	<u>407,642</u>

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021	2020
	£	£
Bank loans	138,418	112,846
Hire purchase contracts	102,295	162,769
	<u>240,713</u>	<u>275,615</u>

Amounts falling due in more than five years:

Repayable by instalments		
Bank loans more 5 yr by instal	88,418	104,207
Bank loan	-	8,639
	<u>88,418</u>	<u>112,846</u>

Bank Loan

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.