

Unaudited Financial Statements for the Year Ended 30 September 2023

for

Mersenne Properties Limited

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for the Year Ended 30 September 2023

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DIRECTORS:

R Laing
S Laing

SECRETARY:

G J Owen

REGISTERED OFFICE:

The Beeches
Checkley
Hereford
Herefordshire
HR1 4ND

REGISTERED NUMBER:

09204508 (England and Wales)

ACCOUNTANT:

Giles Owen Chartered Accountant
1 Croft Lane
Temple Grafton
Alcester
Warwickshire
B49 6PA

Statement of Financial Position
30 September 2023

	Notes	30.9.23 £	£	30.9.22 £	£
FIXED ASSETS					
Property Fixtures and Fittings , Plant and Equipment	4		36,540		47,035
Investments	5		1		1
Investment property	6		<u>15,860,000</u>		<u>16,085,000</u>
			15,896,541		16,132,036
CURRENT ASSETS					
Debtors	7	291,139		314,859	
Cash at bank		<u>1,049,844</u>		<u>3,107,890</u>	
		1,340,983		3,422,749	
CREDITORS					
Amounts falling due within one year	8	<u>12,139,029</u>		<u>9,758,968</u>	
NET CURRENT LIABILITIES			<u>(10,798,046)</u>		<u>(6,336,219)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			5,098,495		9,795,817
CREDITORS					
Amounts falling due after more than one year	9		(1,300,000)		(6,597,550)
PROVISIONS FOR LIABILITIES			<u>(494,907)</u>		<u>(334,039)</u>
NET ASSETS			<u>3,303,588</u>		<u>2,864,228</u>
CAPITAL AND RESERVES					
Called up share capital			1		1
Revaluation reserve	12		772,445		619,154
Retained earnings	12		<u>2,531,142</u>		<u>2,245,073</u>
SHAREHOLDERS' FUNDS	14		<u>3,303,588</u>		<u>2,864,228</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 September 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 September 2023 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- 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.

Statement of Financial Position - continued
30 September 2023

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 Statement of Comprehensive Income has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 18 October 2023 and were signed on its behalf by:

R Laing - Director

Notes to the Financial Statements
for the Year Ended 30 September 2023

1. **STATUTORY INFORMATION**

Mersenne Properties 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.

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 as modified by the revaluation of certain assets.

Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Tangible fixed assets

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

Plant and machinery	- 25% on reducing balance
Fixtures and fittings	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance

Investments in associates

Investments in associate undertakings are recognised at cost.

Investment property

Investment properties for which fair value can be measured reliably without undue cost or effort on an ongoing basis are measured at fair value annually with any change recognized in the income statement. Unrealized gains or losses (net of related deferred tax) are transferred from retained earnings to a separate revaluation reserve.

Taxation

Taxation expense for the period comprises current and deferred tax recognized in the period. Tax is recognized in the income statement, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case tax is also recognized in other comprehensive income or directly in equity respectively.

Current tax is the amount of UK corporation tax payable in respect of the taxable profit for the year or prior years calculated using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

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.

Critical accounting adjustments and estimates

In preparing the financial statements the directors are required to make a number of accounting judgements and make estimates and assumptions concerning the future. The following judgements and estimates are deemed significant in the context of these financial statements:

i) Investment properties are recognised at their fair value. The company's investment properties were revalued on 30 September 2023 at fair value, determined by external property valuation consultants Colliers.

Notes to the Financial Statements - continued
for the Year Ended 30 September 2023

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 1 (2022 - 1) .

4. **PROPERTY FIXTURES AND FITTINGS , PLANT AND EQUIPMENT**

	Plant and machinery etc £
COST	
At 1 October 2022	95,865
Additions	<u>1,685</u>
At 30 September 2023	<u>97,550</u>
DEPRECIATION	
At 1 October 2022	48,830
Charge for year	<u>12,180</u>
At 30 September 2023	<u>61,010</u>
NET BOOK VALUE	
At 30 September 2023	<u>36,540</u>
At 30 September 2022	<u>47,035</u>

5. **FIXED ASSET INVESTMENTS**

	Interest in associate £
COST	
At 1 October 2022 and 30 September 2023	<u>1</u>
NET BOOK VALUE	
At 30 September 2023	<u>1</u>
At 30 September 2022	<u>1</u>

The company's investments at the Statement of Financial Position date in the share capital of companies include the following:

Associated company

Emersons Green Management Company Limited

Registered office: The Old Council Chambers, Halford Street, Tamworth B79 7RB

Nature of business: Management Company

Class of shares:	%
Ordinary	holding 16.00

Notes to the Financial Statements - continued
for the Year Ended 30 September 2023

6. INVESTMENT PROPERTY

	Total £
FAIR VALUE	
At 1 October 2022	16,085,000
Disposals	(511,459)
Revaluations	286,459
At 30 September 2023	<u>15,860,000</u>
NET BOOK VALUE	
At 30 September 2023	<u>15,860,000</u>
At 30 September 2022	<u>16,085,000</u>

Fair value at 30 September 2023 is represented by:

	£
Valuation in 2020	487,468
Valuation in 2021	415,616
Valuation in 2022	(73,524)
Valuation in 2023	286,459
Cost	<u>14,743,981</u>
	<u>15,860,000</u>

If Investment properties had not been revalued they would have been included at the following historical cost:

	30.9.23 £	30.9.22 £
Cost	<u>14,743,981</u>	<u>15,255,440</u>

Investment properties were valued on an open market basis on 30 September 2023 by external property consultants Colliers .

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.9.23 £	30.9.22 £
Trade debtors	250,211	258,200
Other debtors	<u>40,928</u>	<u>56,659</u>
	<u>291,139</u>	<u>314,859</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.9.23 £	30.9.22 £
Bank loans and overdrafts (see note 10)	3,407,650	134,600
Trade creditors	1,145	3,879
Amounts owed to group undertakings	8,334,299	9,144,399
Taxation and social security	151,386	206,719
Other creditors	<u>244,549</u>	<u>269,371</u>
	<u>12,139,029</u>	<u>9,758,968</u>

Notes to the Financial Statements - continued
for the Year Ended 30 September 2023

9. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	30.9.23	30.9.22
	£	£
Bank loans (see note 10)	<u>1,300,000</u>	<u>6,597,550</u>

10. **LOANS**

An analysis of the maturity of loans is given below:

	30.9.23	30.9.22
	£	£
Amounts falling due within one year or on demand:		
Bank loans	<u>3,407,650</u>	<u>134,600</u>
Amounts falling due between one and two years:		
Bank loans - 1-2 years	<u>1,300,000</u>	<u>3,407,650</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>-</u>	<u>3,189,900</u>

Bank loans payable at the year end amounted to £4,707,650 (2022 - £6,732,150).

The loans are secured by fixed and floating charges over the company's investment properties. Interest rates payable on the principal amount of the mortgages range from 2.30% to 5.80% and are payable to the funders on a quarterly basis.

11. **LEASING AGREEMENTS**

The company holds twenty nine investment properties as disclosed in the notes to the financial statements. These are let under non cancellable leases which have remaining terms of 6 months to 22 years.

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

	30.09.23	30.09.22
	£	£
Within one year	434,097	494,062
Between one and five years	1,554,210	1,796,439
In more than five years	<u>2,738,146</u>	<u>3,217,548</u>
	<u>4,726,453</u>	<u>5,508,049</u>

Notes to the Financial Statements - continued
for the Year Ended 30 September 2023

12. **RESERVES**

	Retained earnings £	Revaluation reserve £	Totals £
At 1 October 2022	2,245,073	619,154	2,864,227
Profit for the year	439,360		439,360
Transfer in respect of property revaluation gains (net of deferred tax)	(153,291)	153,291	-
At 30 September 2023	<u>2,531,142</u>	<u>772,445</u>	<u>3,303,587</u>

The retained earnings reserve represents cumulative profits and losses net of transfers of investment property revaluations, dividends paid and other adjustments.

The revaluation reserve represents the cumulative effect of revaluations of investment properties which are revalued to fair value at each reporting date.

13. **ULTIMATE CONTROLLING PARTY**

The controlling party is R Laing.

14. **RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	30.9.23 £	30.9.22 £
Profit for the financial year	439,360	942,121
Net addition to shareholders' funds	<u>439,360</u>	<u>942,121</u>
Opening shareholders' funds	2,864,228	1,922,107
Closing shareholders' funds	<u>3,303,588</u>	<u>2,864,228</u>

The following reproduces the text of the report prepared for the directors in respect of the company's annual unaudited financial statements. In accordance with the Companies Act 2006, the company is only required to file a Statement of Financial Position. Readers are cautioned that the Statement of Comprehensive Income and certain other primary statements and the Report of the Directors are not required to be filed with the Registrar of Companies.

As described on the Statement of Financial Position you are responsible for the preparation of the financial statements for the year ended 30 September 2023 set out on pages three to eleven and you consider that the company is exempt from an audit.

In accordance with your instructions, I have compiled these unaudited financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to me.

Giles Owen Chartered Accountant
1 Croft Lane
Temple Grafton
Alcester
Warwickshire
B49 6PA

Date:

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.