

**COMPANY REGISTRATION NUMBER: 00011998**

**LIVERPOOL COMMERCIAL SALE-ROOM COMPANY LIMITED**

**UNAUDITED FINANCIAL STATEMENTS**

**31 December 2016**

**LIVERPOOL COMMERCIAL SALE-ROOM COMPANY LIMITED**

**FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2016**

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## **LIVERPOOL COMMERCIAL SALE-ROOM COMPANY LIMITED**

### **OFFICERS AND PROFESSIONAL ADVISERS**

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<b>The board of directors</b>	Mr B H Calvert Mrs A E A Calvert
<b>Company secretary</b>	Mrs A E A Calvert
<b>Registered office</b>	Hanover Buildings 11-13 Hanover Street Liverpool Merseyside United Kingdom L1 3DN
<b>Accountants</b>	ERC Accountants & Business Advisers Limited Chartered accountant Hanover Buildings 11-13 Hanover Street Liverpool L1 3DN

**LIVERPOOL COMMERCIAL SALE-ROOM COMPANY LIMITED**

**CHARTERED ACCOUNTANT'S REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION  
OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF LIVERPOOL COMMERCIAL  
SALE-ROOM COMPANY LIMITED**

**YEAR ENDED 31 DECEMBER 2016**

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In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Liverpool Commercial Sale-Room Company Limited for the year ended 31 December 2016, which comprise the statement of financial position and the related notes from the company's accounting records and from information and explanations you have given us. As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at [www.icaew.com/en/membership/regulations-standards-and-guidance](http://www.icaew.com/en/membership/regulations-standards-and-guidance). This report is made solely to the Board of Directors of Liverpool Commercial Sale-Room Company Limited, as a body, in accordance with the terms of our engagement letter dated 19 October 2016. Our work has been undertaken solely to prepare for your approval the financial statements of Liverpool Commercial Sale-Room Company Limited and state those matters that we have agreed to state to you, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF as detailed at [www.icaew.com/compilation](http://www.icaew.com/compilation). To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Liverpool Commercial Sale-Room Company Limited and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Liverpool Commercial Sale-Room Company Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and loss of Liverpool Commercial Sale-Room Company Limited. You consider that Liverpool Commercial Sale-Room Company Limited is exempt from the statutory audit requirement for the year. We have not been instructed to carry out an audit or a review of the financial statements of Liverpool Commercial Sale-Room Company Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

ERC Accountants & Business Advisers Limited Chartered accountant

Hanover Buildings 11-13 Hanover Street Liverpool L1 3DN

20 September 2017

**LIVERPOOL COMMERCIAL SALE-ROOM COMPANY LIMITED****STATEMENT OF FINANCIAL POSITION****31 December 2016**

		2016	2015
	Note	£	£
<b>FIXED ASSETS</b>			
Tangible assets	6	1,044,457	1,044,880
Investments	7	11,822	11,822
		1,056,279	1,056,702
<b>CURRENT ASSETS</b>			
Debtors	8	174,478	174,728
Cash at bank and in hand		117,396	148,186
		291,874	322,914
<b>CREDITORS: Amounts falling due within one year</b>	9	131,906	136,271
<b>NET CURRENT ASSETS</b>		159,968	186,643
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		1,216,247	1,243,345
<b>PROVISIONS</b>			
Taxation including deferred tax		( 5,028)	400
<b>NET ASSETS</b>		1,221,275	1,242,945
<b>CAPITAL AND RESERVES</b>			
Called up share capital		44,000	44,000
Profit and loss account		1,177,275	1,198,945
<b>MEMBERS FUNDS</b>		1,221,275	1,242,945

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

For the year ending 31 December 2016 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 financial statements for the year in question in accordance with section 476 ;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements .

**LIVERPOOL COMMERCIAL SALE-ROOM COMPANY LIMITED**

**STATEMENT OF FINANCIAL POSITION (*continued*)**

**31 December 2016**

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These financial statements were approved by the board of directors and authorised for issue on 20 September 2017 , and are signed on behalf of the board by:

Mr B H Calvert

Director

Company registration number: 00011998

# **LIVERPOOL COMMERCIAL SALE-ROOM COMPANY LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2016**

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### **1. GENERAL INFORMATION**

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Hanover Buildings, 11-13 Hanover Street, Liverpool, Merseyside, L1 3DN, United Kingdom.

### **2. STATEMENT OF COMPLIANCE**

These financial statements have been prepared in compliance with the provisions of FRS 102 Section 1A, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

### **3. ACCOUNTING POLICIES**

#### **Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

#### **Transition to FRS 102**

The entity transitioned from previous UK GAAP to FRS 102 as at 1 January 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 13.

#### **Consolidation**

The company has taken advantage of the option not to prepare consolidated financial statements contained in Section 398 of the Companies Act 2006 on the basis that the company and its subsidiary undertakings comprise a small group.

#### **Revenue recognition**

Turnover represents the amount receivable for rent and for services supplied net of value added tax.

## **Corporation tax**

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference. Deferred tax is recognised in respect of all material timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions: Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

## **Intangible assets**

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses. Intangible assets acquired as part of a business combination are recorded at the fair value at the acquisition date.

### **Amortisation**

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Patents and licences                      -            Over 5 years

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

## **Tangible assets**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.



**Depreciation**

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings	-	15% reducing balance
Motor vehicles	-	25% reducing balance
Computer equipment	-	33% reducing balance

**Investments**

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

### Investments in associates

Investments in associates accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses. Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the associate arising before or after the date of acquisition.

### Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

### Financial instruments

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 entity after deducting all of its financial liabilities. Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability. Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

## 4. TAX ON (LOSS)/PROFIT

### Major components of tax (income)/expense

	2016	2015
	£	£
<b>Current tax:</b>		
UK current tax expense	11	2,908
Adjustments in respect of prior periods	–	1,767
	----	-----
Total current tax	11	4,675
	----	-----

**Deferred tax:**

Origination and reversal of timing differences	( 5,428)	400
	-----	-----
<b>Tax on (loss)/profit</b>	<b>( 5,417)</b>	<b>5,075</b>
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**5. INTANGIBLE ASSETS**

	<b>Patents and licences £</b>
<b>Cost</b>	
<b>At 1 January 2016 and 31 December 2016</b>	22,170
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<b>Amortisation</b>	
<b>At 1 January 2016 and 31 December 2016</b>	22,170
	-----
<b>Carrying amount</b>	
<b>At 31 December 2016</b>	—

**6. TANGIBLE ASSETS**

	<b>Freehold property £</b>	<b>Leasehold property £</b>	<b>Fixtures and fittings £</b>	<b>Motor vehicles £</b>	<b>Computer equipment £</b>	<b>Total £</b>
<b>Cost</b>						
<b>At 1 Jan 2016 and 31 Dec 2016</b>	719,005	323,876	11,781	22,585	1,487	1,078,734
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<b>Depreciation</b>						
At 1 Jan 2016	—	—	10,787	21,867	1,200	33,854
Charge for the year	—	—	149	179	95	423
	-----	-----	-----	-----	-----	-----
<b>At 31 Dec 2016</b>	—	—	10,936	22,046	1,295	34,277
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<b>Carrying amount</b>						
<b>At 31 Dec 2016</b>	719,005	323,876	845	539	192	1,044,457
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At 31 Dec 2015	719,005	323,876	994	718	287	1,044,880
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Freehold property is included at cost. The directors are of the opinion that this valuation method is more appropriate due to the uncertainties of the secondary retail property market, and that the current market value of the properties is not less than cost.

## 7. INVESTMENTS

	Shares in group undertakings	Subsidiary	Total
	£	£	£
<b>Cost</b>			
<b>At 1 January 2016 and 31 December 2016</b>	11,722	100	11,822
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<b>Impairment</b>			
<b>At 1 January 2016 and 31 December 2016</b>	—	—	—
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<b>Carrying amount</b>			
<b>At 31 December 2016</b>	11,722	100	11,822
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## 8. DEBTORS

	2016	2015	
	£	£	
Amounts owed by group undertakings and undertakings in which the company has a participating interest		167,527	167,527
Other debtors		6,951	7,201
		-----	-----
		174,478	174,728
		-----	-----

## 9. CREDITORS: Amounts falling due within one year

	2016	2015
	£	£
Corporation tax	11	2,909
Social security and other taxes	457	2,122
Other creditors	131,438	131,240
	-----	-----
	131,906	136,271
	-----	-----

## 10. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

No director's received advances, credits or guarantees during the current or previous accounting periods.

## 11. RELATED PARTY TRANSACTIONS

The following related party transactions were undertaken during the year: A director of the company, at the balance sheet date was due amounts from the company totalling £ 10,448 (2015: £10,448). A director of the company, at the balance sheet date was due amounts from the company totalling £ 7,465 (2015: £7,465). The company has not disclosed related party transactions undertaken with wholly owned subsidiaries as the disclosure is not required under FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. No further transactions with related parties were undertaken such as are required to be disclosed in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

## 12. CONTROLLING PARTY

The directors consider Mersey & Metropolitan Investment Company Limited, a company incorporated in England, to be the ultimate parent company. Copies of their financial statements can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

## 13. TRANSITION TO FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 January 2015.

### Reconciliation of equity

	1 January 2015			31 December 2015		
	As previously stated	Effect of transition	FRS 102 (as restated)	As previously stated	Effect of transition	FRS 102 (as restated)
	£	£	£	£	£	£
Fixed assets	1,106,431	—	1,106,431	1,056,702	—	1,056,702
Current assets	284,667	—	284,667	322,914	—	322,914
Creditors: amounts falling due within one year	( 159,719)	—	( 159,719)	( 136,271)	—	( 136,271)
Net current assets	124,948	—	124,948	186,643	—	186,643
Total assets less current liabilities	1,231,379	—	1,231,379	1,243,345	—	1,243,345
Provisions	—	394	394	( 400)	( 400)	
Net assets	1,231,379	394	1,231,773	1,243,345	( 400)	1,242,945
Capital and reserves	1,231,379	394	1,231,773	1,243,345	( 400)	1,242,945

Deferred tax FRS 102a requires deferred tax to be recognised on all timing differences. This has resulted in an increase in the deferred tax asset on transition of £394. In the year to 31 December 2015 the deferred tax charged reduced by £974 with a corresponding decrease to the deferred tax liability.

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.