

**THE LONDON COMMERCIAL AND
MERCANTILE COMPANY LIMITED**

FINANCIAL STATEMENTS

31st MARCH 2011

WEDNESDAY



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THE LONDON COMMERCIAL AND MERCANTILE COMPANY LIMITED

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THE LONDON COMMERCIAL AND MERCANTILE COMPANY LIMITED

COMPANY INFORMATION

Directors

C S R Stroyan
C N Bardswell
J H Houssemayne Du Boulay
E Y Whittingdale

Secretary

R W Toye

Registered office

Temple Chambers
3 - 7, Temple Avenue
London EC4Y 0HP

Registered number

120030

Auditors

Moore Stephens LLP
150, Aldersgate Street
London EC1A 4AB

THE LONDON COMMERCIAL AND MERCANTILE COMPANY LIMITED

REPORT OF THE DIRECTORS

The directors have pleasure in submitting their report together with the audited financial statements of the company for the year ended 31st March 2011

Principal activity

The company is an investment dealing company

Review of the business

Trading levels were kept low in light of the considerable economic and political uncertainties that prevailed throughout the year. However, over the period there was a welcome growth in market values and profits were taken as opportunities arose.

The outlook remains uncertain, with many of the problems faced in the previous year remaining unresolved. In these circumstances, the directors will continue to adopt a cautious approach to the markets and in particular to traded options.

Results and dividends

The profit for the year after tax amounted to £41,289 (2010 £156,411). The directors do not recommend the payment of a dividend (2010 Nil).

Directors

The directors who held office during the period were

C S R Stroyan
C N Bardswell
E Y Whittingdale

Post year end Mr J H Houssemayne Du Boulay was appointed a director on 1st June 2011

Statement of Directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have 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 directors must not approve the financial statements unless they are 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.

THE LONDON COMMERCIAL AND MERCANTILE COMPANY LIMITED

REPORT OF THE DIRECTORS

(Continued)

Statement of Directors' responsibilities (continued)

In preparing these financial statements, the directors are required to

- select suitable accounting policies and apply them consistently,
- make judgements and 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 directors are 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 them to ensure that the financial statements comply with the Companies Act 2006. They are 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.

Directors' Disclosure of Information to Auditors

Each of the persons who are directors at the time when this report is approved has confirmed that

- (a) so far as each director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- (b) each director has taken all steps that ought to have been taken as a director, including making appropriate enquiries of fellow directors and of the company's auditors for that purpose, in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information.

Basis of Preparation

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

The report of the directors was approved by the Board on 3rd August 2011 and signed on its behalf by



Roger William Toye
Secretary

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE LONDON COMMERCIAL AND MERCANTILE COMPANY LIMITED**

We have audited the financial statements of The London Commercial and Mercantile Company Limited for the year ended 31st March 2011 which are set out on pages 6 to 11. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on pages 2 and 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications in our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31st March 2011 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

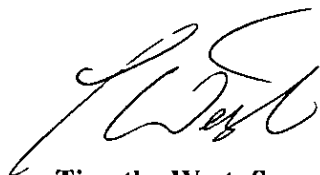
THE LONDON COMMERCIAL AND MERCANTILE COMPANY LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE LONDON COMMERCIAL AND MERCANTILE COMPANY LIMITED (Continued)**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



Timothy West, Senior Statutory Auditor

For and on behalf of Moore Stephens LLP, Statutory Auditor
150 Aldersgate Street
London
EC1A 4AB

Date

5 August 2011

THE LONDON COMMERCIAL AND MERCANTILE COMPANY LIMITED

PROFIT AND LOSS ACCOUNT
for the year ended 31st March 2011

	Note	2011 £	2010 £
Income: continuing operations			
Realised dealing profit/(loss)		20,991	(11,512)
Decrease in provision to reduce investments to market value		26,483	232,862
Investment income		8,195	11,060
Interest receivable		2,133	704
		<hr/>	<hr/>
Administrative expenses		57,802 (5,692)	233,114 (5,772)
		<hr/>	<hr/>
Profit on ordinary activities before taxation	2	52,110	227,342
Tax on profit on ordinary activities	3	(10,821)	(70,931)
		<hr/>	<hr/>
Profit for the year	8	41,289	156,411
		<hr/> <hr/>	<hr/> <hr/>

The company has no recognised gains or losses other than the results disclosed above for the two years ended 31st March 2011

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS
for the year ended 31st March 2011

	2011 £	2010 £
Profit for the year	41,289	156,411
Opening shareholders' deficit	(53,676)	(210,087)
	<hr/>	<hr/>
Closing shareholders' deficit	(12,387)	(53,676)
	<hr/> <hr/>	<hr/> <hr/>

THE LONDON COMMERCIAL AND MERCANTILE COMPANY LIMITED

BALANCE SHEET

Company Registration No.: 120030

at 31st March 2011

	Note	2011 £	2010 £
Current assets			
Debtors	4	251,845	196,884
Investments	5	293,577	353,880
Cash at bank		19,815	2,876
		<u>565,237</u>	<u>553,640</u>
Creditors: Amounts falling due within one year	6	(577,624)	(607,316)
Total assets less current liabilities		<u>(12,387)</u>	<u>(53,676)</u>
Capital and reserves			
Called up share capital	7	35,007	35,007
Profit and loss account	8	(47,394)	(88,683)
Shareholders' Deficit		<u>(12,387)</u>	<u>(53,676)</u>

These financial statements have been prepared in accordance with the provision applicable to companies subject to the small companies regime

The financial statements were approved and authorised for issue by the Board on 3rd August 2011 and signed on its behalf by



Colin Strathearn Ropner Stroyan
Director

NOTES TO THE FINANCIAL STATEMENTS

31st March 2011

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable accounting standards. The particular accounting policies adopted are described below.

Accounting convention

These financial statements are prepared under the historical cost convention.

Going concern

The financial statements are prepared on a going concern basis as the ultimate parent undertaking has confirmed that it will continue its support of the company for the foreseeable future.

Dealing

Income includes profits less losses on sale of investments and traded option receipts less payments. Traded options have been recognised on date of receipt or payment of proceeds.

Investment Income

Income from investment in equities is included on a receivable basis. Interest income from fixed interest and index linked stock is accrued to the end of the financial year.

Tax deducted at source, but not UK tax credits, on investment income is shown as part of investment income for the year and expensed as appropriate in the taxation charge for the year.

Interest receivable

Interest on cash deposits is accrued to the end of the financial year.

Investments

Investments are held for resale and are valued at the lower of cost or market value.

Cash flow statement

The company is exempt from preparing a cash flow statement.

2. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The profit on ordinary activities before taxation is arrived at after charging -

	2011	2010
	£	£
Auditors remuneration	5,400	5,288
	<u> </u>	<u> </u>

Apart from the three (2010: three) directors, none of whom received any emoluments in the year, there are no other employees of the company.

THE LONDON COMMERCIAL AND MERCANTILE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31st March 2011

3. TAX ON RESULT ON ORDINARY ACTIVITIES

	2011	2010
	£	£
(a) Analysis of tax charge for the year		
UK Corporation tax charge	11,127	63,656
Prior (over)/year under provision	(306)	7,275
	<hr/>	<hr/>
Current tax charge	10,821	70,931
	<hr/>	<hr/>
(b) Factors affecting current tax charge for the year		
Profit on ordinary activities before tax at 28% (2010 28%)	14,591	63,656
Effect of		
Small companies relief	(3,464)	-
Prior year (over)/under provision	(306)	7,275
	<hr/>	<hr/>
Current tax charge	18,821	70,931
	<hr/>	<hr/>

4. DEBTORS

	2011	2010
	£	£
Accrued Income	4,700	562
Other Debtors	247,145	196,322
	<hr/>	<hr/>
	251,845	196,884
	<hr/>	<hr/>

5. INVESTMENTS

	2011	2010
	£	£
Listed		
At lower of cost or market value	293,577	353,880
	<hr/>	<hr/>

Total market value of listed investments at 31st March 2011 was £295,141 (2010 £359,238)

Total historical cost of listed investments at 31st March 2011 was £325,094 (2010 £419,206)

THE LONDON COMMERCIAL AND MERCANTILE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS**31st March 2011****5. INVESTMENTS (continued)**

Of the investments held the following listed investments are quoted on stock exchanges outside Great Britain

	2011	2010
	£	£
Cost	-	-
Market value	1,286	1,130

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011	2010
	£	£
Amounts due to immediate parent company	561,076	531,076
Corporation Tax	11,127	70,931
Accruals	5,421	5,309
	<u>577,624</u>	<u>607,316</u>

7. CALLED UP SHARE CAPITAL

	2011	2010
	£	£
Authorised		
200,000 ordinary shares of £1 each	200,000	200,000
Allotted and fully paid		
35,007 ordinary shares of £1 each	35,007	35,007

8. PROFIT AND LOSS ACCOUNT

	2011	2010
	£	£
At 1 st April	(88,683)	(245,094)
Profit for the year	41,289	156,411
	<u>(47,394)</u>	<u>(88,683)</u>

NOTES TO THE FINANCIAL STATEMENTS

31st March 2011

9. PARENT COMPANY

The company is a wholly owned subsidiary of Teniwood Securities Limited, a company incorporated in England. The ultimate parent company is Iowa Land Company Limited, a company incorporated in England. Group accounts are available to the public on payment of the appropriate fee from Companies Registration Office, Companies House, Crown Way, Cardiff CF4 3UZ.