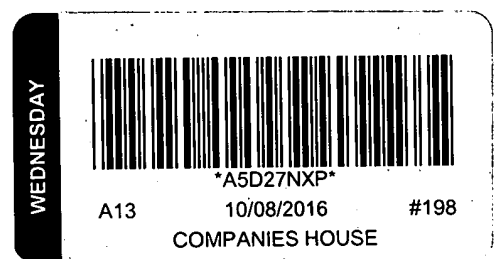


LONDON COMMERCIAL AND MERCANTILE COMPANY LIMITED

Company registration number 120030

Directors' Report and Financial Statements

for the year ended 31st March 2016



LONDON COMMERCIAL AND MERCANTILE COMPANY LIMITED

REPORT AND FINANCIAL STATEMENTS 2016

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LONDON COMMERCIAL AND MERCANTILE COMPANY LIMITED

COMPANY INFORMATION

Directors
C S R Stroyan
C N Bardswell
J H Houssemayne Du Boulay (resigned 5th May 2016)
E Y Whittingdale

Secretary
R W Toye

Registered Office
Temple Chambers
Suite 32
3 - 7, Temple Avenue
London EC4Y 0HP

Registered Number
120030

Independent Auditor
Scott-Moncrieff
Exchange Place 3
Sempie Street
Edinburgh EH3 8BL

Solicitors
Brodies LLP
15 Atholl Crescent
Edinburgh EH3 8HA

Bankers
The Royal Bank of Scotland plc
Perth Chief Office
12 Dunkeld Road
Perth PH1 5RB

LONDON COMMERCIAL AND MERCANTILE COMPANY LIMITED

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31st March 2016.

PRINCIPAL ACTIVITIES

The company's business is that of an investment dealing company. The company's investment policy is based on short-term trading in the equity and traded options markets.

RESULTS AND DIVIDEND

The total comprehensive deficit amounted to £8,787 (2015 - £23,528 restated deficit).

The directors do not recommend the payment of a dividend (2015 - Nil).

REVIEW OF BUSINESS

A review was conducted of the role the company within Iowa Land Company Limited group following the company's withdrawal from the traded options market. It was concluded that the continuing operations were largely a duplication of the activities of its immediate parent company. Consequently, the decision was made in July 2015 to run down the core investment portfolio in an orderly manner with a view only to undertake trades in the future that fall outside the investment parameters of the parent company.

Considerable progress towards this objective had been made by the year end and the process will continue during next year. The ultimate parent company has undertaken to continue to provide whatever support is required during this process.

DIRECTORS

The directors who served during the period were as follows:

C S R Stroyan
C N Bardswell
J H Houssemayne Du Boulay (resigned 5th May 2016)
E Y Whittingdale

DIRECTORS' REPORT- (continued)

FINANCIAL INSTRUMENTS

The company invests in the equity markets through a broker appointed on an execution only basis. The portfolio is divided between direct holdings in equities and traded option positions in equities. There is no exposure to fixed interest instruments.

AUDITOR

Scott-Moncrieff is deemed to be reappointed under section 487(2) of the Companies Act 2006.

DIRECTORS' DISCLOSURE OF INFORMATION TO THE AUDITOR

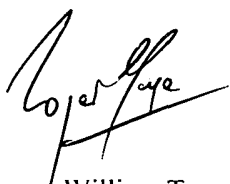
Each of the persons who are directors at the time when this report is approved has confirmed that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- each director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

POST BALANCE SHEET EVENTS

There have been no significant events affecting the company since the year end outside of the decision to continue to down size the core activities of the company over the next year.

This report was approved by the Board on 3rd August 2016 and signed on its behalf by:



Roger William Toye
Secretary

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31st MARCH 2016**

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 Section 1A, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' to Small Entities. Under company law the directors must not approve the financial statements unless 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 directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
LONDON COMMERCIAL AND MERCANTILE COMPANY LIMITED
for the year ended 31st March 2016**

We have audited the financial statements of London Commercial and Mercantile Company Limited for the year ended 31st March 2016, which comprise the Statement of comprehensive income, Balance sheet and related notes. The financial reporting framework that has been applied in their preparation is applicable law and Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice applicable to small entities).

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, 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 Practice's Board's Ethical Standards for Auditors, including "APB Ethical Standards – Provisions Available for Small Entities (Revised)", in the circumstances set out in note 12 to the financial statements.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web-site at www.frc.org.uk/auditscopeukprivate.

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 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and applicable to small entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

LONDON COMMERCIAL AND MERCANTILE COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LONDON COMMERCIAL AND MERCANTILE COMPANY LIMITED for the year ended 31st March 2016 - (continued)

Opinion on other matter prescribed by the Companies Act 2006

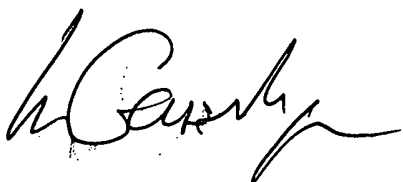
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements and the Directors' Report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of our audit, we have not identified any material misstatements in the Directors' Report.

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; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic report.



W Gareth Magee, *Senior Statutory Auditor*

For and on behalf of
Scott-Moncrieff
Statutory Auditor
Exchange Place 3
Semple Street
Edinburgh EH3 8BL

Date: 3 August 2016

LONDON COMMERCIAL AND MERCANTILE COMPANY LIMITED**STATEMENT OF COMPREHENSIVE INCOME**
for the year ended 31st March 2016

	Note	2016 £	2015 Restated £
INCOME			
Investment Income	2	10,714	11,476
Realised dealing (loss)/profit	4	(58,318)	38,210
Interest receivable		33	19
		<hr/>	<hr/>
GROSS (LOSS)/PROFIT		(47,571)	49,705
Administration expenses		(6,260)	(6,238)
		<hr/>	<hr/>
OPERATING (LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(53,831)	43,467
Unrealised surplus/(deficit) on revaluation of current asset investments	6	45,044	(67,254)
		<hr/>	<hr/>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(8,787)	(23,787)
Tax on loss on ordinary activities	5	-	259
		<hr/>	<hr/>
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION		(8,787)	(23,528)
Other comprehensive income		-	-
		<hr/>	<hr/>
TOTAL COMPREHENSIVE DEFICIT FOR THE YEAR	8	(8,787)	(23,528)
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 9 to 17 form part of these financial statements.

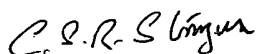
LONDON COMMERCIAL AND MERCANTILE COMPANY LIMITED

BALANCE SHEET

Company Registration No.: 120030
as at 31st March 2016

	Note	2016 £	2015 Restated £
CURRENT ASSETS			
Debtors: amounts falling due within one year		2,606	53,118
Investments	6	145,341	293,826
Cash at bank		8,552	18,341
		<u>156,499</u>	<u>365,285</u>
CREDITORS			
Creditors: amounts falling due within one year		(5,947)	(5,946)
		<u>150,552</u>	<u>359,339</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>150,552</u>	<u>359,339</u>
CAPITAL AND RESERVES			
Called up share capital		35,007	35,007
Parent company loan	7	180,000	380,000
Profit and loss account	8	(64,455)	(55,668)
		<u>150,552</u>	<u>359,339</u>
SHAREHOLDERS' FUNDS		<u>150,552</u>	<u>359,339</u>

The financial statements were approved and authorised for issue by the Board on 3rd August 2016 and signed on its behalf by:



Colin Strathearn Ropner Stroyan
Director

The notes on pages 9 to 17 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st March 2016

1. ACCOUNTING POLICIES

1.1 General information

London Commercial and Mercantile Company Limited is a company incorporated in England and Wales. The registered office is Temple Chambers, Suite 32, 3-7 Temple Avenue, London EC4Y 0HP.

1.2 Statement of compliance

The financial statements have been prepared under the historical cost convention and in accordance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice applicable to small entities) and the Companies Act 2006.

These are the first financial statements prepared under Section 1A of FRS 102. The date of transition is 1st April 2015. Information on the impact of first-time adoption is given in note 11.

The preparation of the financial statements in compliance with Section 1A of FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 1.3).

1.3 Significant judgements and estimates

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within a financial year are addressed as follows:

The fair value of investments that are not traded in an active market (e.g. unquoted investments) is determined by using valuation techniques. Management uses its judgement to select a variety of methods and made assumptions that are mainly based on market conditions existing at the end of each reporting period.

1.4 Going concern

The directors consider the company is a going concern given the value of current asset investments which can be liquidated at short notice.

1.5 Cash flow statement

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirements to prepare such a statement under FRS 102.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st March 2016

1. ACCOUNTING POLICIES (continued)

1.6 Income

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 is included on a receivable basis. 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 on cash deposits is accrued to the end of the financial year.

1.7 Current asset investments

Investments in listed shares have been classified as current asset investments, as the company holds them for resale and are re-measured to market value at each Balance Sheet date. Gains and losses on re-measurement are recognised in the Statement of Comprehensive Income for the period.

1.8 Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares and similar instruments.

Debt instruments are payable or receivable within one year, typically trade payables or receivables are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1.9 VAT

The company is not registered for VAT; as a result VAT is accounted for in the financial statements with the related expense.

1.10 Foreign currency translation

The company's functional currency is GBP.

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st March 2016

1. ACCOUNTING POLICIES (continued)

1.10 Foreign currency translation (continued)

Foreign currency monetary items are translated using year end rates. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income.

1.11 Financial liabilities and equity

Financial liabilities and equity are classified in accordance with the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

1.12 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in either comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates income.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

LONDON COMMERCIAL AND MERCANTILE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st March 2016**2. ANALYSIS OF INVESTMENT INCOME**

An analysis of investment income by class of business is as follows:

	2016	2015
	£	Restated £
Income from listed investments	10,714	11,476
Income from unlisted investments	-	-
	<hr/>	<hr/>
	10,714	11,476
	<hr/>	<hr/>
Income arising within the United Kingdom	10,714	11,476
Income arising from outside the United Kingdom	-	-
	<hr/>	<hr/>
	10,714	11,476
	<hr/>	<hr/>

3. OPERATING (LOSS)/PROFIT

	2016	2015
	£	£
The operating (loss)/ profit is stated after charging: Auditor's remuneration	4,710	4,710
	<hr/>	<hr/>

4. (LOSS)/PROFIT ON CURRENT ASSET INVESTMENTS

	2016	2015
	£	£
Net (loss)/profit on sale of listed and unlisted investments	(58,318)	38,210
	<hr/>	<hr/>
Income from current asset investments	10,714	11,476
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st March 2016

5. TAXATION

	2016 £	2015 £
Analysis of tax charge/(credit) for the period		
Current tax	-	-
UK Corporation tax at 20% (2015 - 21%)		
Deferred tax		
Origination and reversal of timing differences	-	-
Effect of tax rate change on opening balance	-	-
	<u> </u>	<u> </u>
Deferred tax charged in the statement of other comprehensive income for the year	-	-
	<u> </u>	<u> </u>
Provision for deferred tax		
Tax losses carried forward and other deductions (excess management charges)	-	-
Capital gains/(losses)	-	-
	<u> </u>	<u> </u>
Total deferred tax liability	-	-
	<u> </u>	<u> </u>
Movement in provision:		
Provision at start of period	-	-
Deferred tax charged in other comprehensive income	-	-
	<u> </u>	<u> </u>
	<u> </u>	<u> </u>

LONDON COMMERCIAL AND MERCANTILE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st March 2016

5. TAXATION - (continued)

Reconciliation of tax charge

	2016	2015
	£	£
(Loss)/profit on ordinary activities before taxation	(8,787)	(23,787)
Tax on (loss)/profit on ordinary activities at standard corporation Tax rate of 20% (2015 - 21%)	(1,757)	(4,995)
Effect of:		
Expenses not deductible for tax purposes	-	4,710
Prior year under provision	-	26
Adjust closing deferred tax to average rate of 20% (21%)	217	-
Deferred tax not recognised	1,540	-
	<hr/>	<hr/>
Tax charge/(credit) for the year	-	(259)
	<hr/>	<hr/>

6. CURRENT ASSET INVESTMENTS

	Listed Investments	Unlisted Investments	Total
	£	£	£
Cost or valuation	Restated	Restated	Restated
At 1 st April 2015	293,622	204	293,826
Additions	-	-	-
Revaluation	44,838	206	45,044
Disposals - proceeds	(135,210)	(1)	(135,211)
Disposals – (losses)/profits on sale	(58,319)	1	(58,318)
	<hr/>	<hr/>	<hr/>
At 31 st March 2016	144,931	410	145,341
	<hr/>	<hr/>	<hr/>
At 31 st March 2015	293,622	204	293,826
	<hr/>	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st March 2016

7. PARENT COMPANY LOAN

	2016	2015
	£	£
Balance at 1 st April	380,000	380,000
Movement in year	(200,000)	-
	<hr/>	<hr/>
	180,000	380,000
	<hr/>	<hr/>

The parent company has advanced a loan for an indeterminate period of time at a nil rate of interest repayable in part or in whole at the sole discretion of the company.

Under FRS 102 intercompany loans where the terms of the relationship between the company and its parent company resemble equity rather than debt, should be classified accordingly. The directors consider the substance of the loan agreement between the company and the parent to be that of equity and have thus classified the loan as equity, rather than debt.

8. RESERVES

	2016	2015
	£	Restated £
Profit and loss account		
Balance at 1 st April	(55,668)	(32,140)
Total comprehensive deficit for the year	(8,787)	(23,528)
	<hr/>	<hr/>
	(64,455)	(55,668)
	<hr/>	<hr/>

9. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption under FRS 102 Section 33 from the requirement to disclose information of transactions with entities which are part of the group on the basis that the consolidated group financial statements are publically available.

10. PARENT COMPANY

The company is a wholly owned subsidiary of Teniwood Securities Limited, a company incorporated in England (company registration number 1054920). The ultimate parent company is Iowa Land Company Limited, a company incorporated in England (company registration number 15399). Group financial statements for Iowa Land Company Limited are available to the public from Companies Registration Office, Companies House, Crown Way, Cardiff CF14 3UZ.

LONDON COMMERCIAL AND MERCANTILE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st March 2016

11. FIRST TIME ADOPTION OF FRS 102

	Note	As previously stated 1 April 2014 £	Effect of Transition 1 April 2014 £	FRS 102 (as restated) 1 April 2014 £	As previously stated 31 March 2015 £	Effect of Transition 31 March 2015 £	FRS 102 (as restated) 31 March 2015 £
Current assets							
Debtors falling due within one year		19,864	-	19,864	53,118	-	53,118
Investments	8	335,204	25,647	360,851	290,608	3,218	293,826
Cash at bank and in hand		8,098	-	8,098	18,341	-	18,341
		<u>363,166</u>	<u>25,647</u>	<u>388,813</u>	<u>362,067</u>	<u>3,218</u>	<u>365,285</u>
Creditors: amounts falling due within one year		(5,946)	-	(5,946)	(5,946)	-	(5,946)
Total assets less current liabilities		<u>357,220</u>	<u>25,647</u>	<u>382,867</u>	<u>356,121</u>	<u>3,218</u>	<u>359,339</u>
Provisions for liabilities		-	-	-	-	-	-
Capital and reserves		<u>357,220</u>	<u>25,647</u>	<u>382,867</u>	<u>356,121</u>	<u>3,218</u>	<u>359,339</u>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st March 2016

11. FIRST TIME ADOPTION OF FRS 102 (continued)

	Note	As previously stated 31 March 2015 £	Effect of Transition 31 March 2015 £	FRS 102 (as restated) 31 March 2015 £
Income	2	4,880	44,825	49,705
Administrative expenses		(6,238)	-	(6,238)
Operating (loss)/profit		(1,358)	44,825	43,467
Increase in provision for losses on investments		-	(67,254)	(67,254)
Taxation		259	-	259
Comprehensive income deficit for the financial year		(1,099)	(22,429)	(23,528)

The transition adjustments on the introduction of FRS 102 relate to the:

- recognition of net unrealised gains on investments and the provision for deferred tax thereon. These items were previously referred to in the notes to the financial statements;
- reversal of previous provisions to reduce cost of certain investments to market value no longer required.

12. OTHER PROFESSIONAL SERVICES PROVIDED BY THE AUDITOR

In common with many other businesses of our size and nature, the company uses its auditor to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.