

LONDON COMMERCIAL AND MERCANTILE COMPANY LIMITED

Company registration number 120030

Directors' Report and Financial Statements

for the year ended 31st March 2017

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LONDON COMMERCIAL AND MERCANTILE COMPANY LIMITED

REPORT AND FINANCIAL STATEMENTS 2017

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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 2017.

PRINCIPAL ACTIVITIES

The company's business was that of an investment dealing company. The company ceased trading on 13th March 2017.

RESULTS AND DIVIDEND

The total comprehensive income amounted to £22,047 (2016 - £8,787 deficit).

The directors do not recommend the payment of a dividend (2016 - Nil).

REVIEW OF BUSINESS

Following the review last year of the company's role within the Iowa Land Company Limited group, the decision was taken to wind down the operations of the company and having liquidated the investment portfolio the company ceased to trade on 13th March 2017.

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

FINANCIAL INSTRUMENTS

The company had invested in the equity markets through a broker appointed on an execution only basis. The portfolio was in direct holdings in equities. There had been no exposure to fixed interest instruments.

AUDITOR

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

LONDON COMMERCIAL AND MERCANTILE COMPANY LIMITED

DIRECTORS' REPORT- (continued)

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.

This report was approved by the Board on 2nd August 2017 and signed on its behalf by:



Roger William Toye
Secretary

LONDON COMMERCIAL AND MERCANTILE COMPANY LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31st MARCH 2017

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 Section 1A of Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice applicable 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.

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 2017

We have audited the financial statements of London Commercial and Mercantile Company Limited for the year ended 31st March 2017, 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 United Kingdom Accounting Standards, including Section 1A 'Small Entities' of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice as 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 11 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 2017 and of its profit 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 2017 - (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, Chartered Accountants
Statutory Auditor
Exchange Place 3
Semple Street
Edinburgh EH3 8BL

Date: 2 August 2017

LONDON COMMERCIAL AND MERCANTILE COMPANY LIMITED**STATEMENT OF COMPREHENSIVE INCOME****for the year ended 31st March 2017**

	Note	2017 £	2016 £
INCOME			
Investment Income	2	7,456	10,714
Realised dealing loss	4	(71,835)	(58,318)
Interest receivable		7	33
		<hr/>	<hr/>
GROSS LOSS		(64,372)	(47,571)
Administration expenses		(307)	(6,260)
		<hr/>	<hr/>
OPERATING LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(64,679)	(53,831)
Unrealised surplus on revaluation of current asset investments	6	86,727	45,044
		<hr/>	<hr/>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		22,048	(8,787)
Tax on loss on ordinary activities	5	(1)	-
		<hr/>	<hr/>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION		22,047	(8,787)
Other comprehensive income		-	-
		<hr/>	<hr/>
TOTAL COMPREHENSIVE INCOME/(DEFICIT) FOR THE YEAR	8	22,047	(8,787)
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 9 to 16 form part of these financial statements.

LONDON COMMERCIAL AND MERCANTILE COMPANY LIMITED

BALANCE SHEET

Company Registration No.: 120030

as at 31st March 2017

	Note	2017 £	2016 £
CURRENT ASSETS			
Debtors: amounts falling due within one year		-	2,606
Investments	6	-	145,341
Cash at bank		-	8,552
		<hr/>	<hr/>
		-	156,499
		<hr/>	<hr/>
CREDITORS			
Creditors: amounts falling due within one year		-	(5,947)
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		-	150,552
		<hr/>	<hr/>
CAPITAL AND RESERVES			
Called up share capital		35,007	35,007
Parent company loan	7	7,401	180,000
Profit and loss account	8	(42,408)	(64,455)
		<hr/>	<hr/>
SHAREHOLDERS' FUNDS		-	150,552
		<hr/>	<hr/>

The financial statements have been prepared in accordance with provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of Section 1A 'Small Entities' of Financial Reporting Standard 102.

The financial statements were approved and authorised for issue by the Board and were signed on its behalf on 2nd August 2017 by:



Colin Strathearn Ropner Stroyan
Director

The notes on pages 9 to 16 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March 2017

1. ACCOUNTING POLICIES

1.1 General information

These financial statements are presented in Pounds Sterling (GBP), as that is the currency in which (the majority of) the company's transactions are denominated. They comprise the financial statements of the company drawn up for the year ended 31st March 2017.

The activity of London Commercial and Mercantile Limited ("the company") was that of an investment dealing company. The company ceased trading on 13th March 2017.

The company is a private company limited by shares and is incorporated in the United Kingdom and registered in England and Wales. Details of the registered office can be found on the company information page of these statements. The company's registered number is 120030.

1.2 Statement of compliance

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with applicable law and United Kingdom Accounting Standards, including Section 1A 'Small Entities' of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice applicable to Small Entities).

The preparation of financial statements in compliance with Section 1A 'Small Entities' 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 company ceased trading on 13th March 2017. It has no assets or liabilities at the year-end other than the balance of a loan due to its parent company.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March 2017

1. ACCOUNTING POLICIES (continued)

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.

1.6 Income

Dealing income includes profits less losses on sale of investments.

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 was received to the date of the cessation of trade.

1.7 Current asset investments

The company did not hold any current asset investments at the year end. The reverse of the provision for gains and losses on re-measurement made in the previous year is recognised in the Statement of Comprehensive Income for the year.

1.8 Financial instruments

The company only entered into basic financial instruments transactions that resulted 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.

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.

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.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March 2017

1. ACCOUNTING POLICIES (continued)

1.10 Foreign currency translation (continued)

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 2017**

2. ANALYSIS OF INVESTMENT INCOME

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

	2017 £	2016 £
Income from listed investments	7,456	10,714
Income from unlisted investments	-	-
	<hr/>	<hr/>
	7,456	10,714
	<hr/>	<hr/>
Income arising within the United Kingdom	7,450	10,714
Income arising from outside the United Kingdom	6	-
	<hr/>	<hr/>
	7,456	10,714
	<hr/>	<hr/>

3. OPERATING LOSS

	2017 £	2016 £
The operating loss is stated after charging:		
Auditor's remuneration	-	4,710
	<hr/>	<hr/>

4. LOSS ON CURRENT ASSET INVESTMENTS

	2017 £	2016 £
Net loss on sale of listed and unlisted investments	(71,835)	(58,318)
	<hr/>	<hr/>
Income from current asset investments	7,456	10,714
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st March 2017

5. TAXATION

	2017 £	2016 £
Analysis of tax charge for the period		
Current tax		
UK Corporation tax at 20% (2016 - 20%)	-	-
Deferred tax		
Origination and reversal of timing differences	-	-
Effect of tax rate change on opening balance	-	-
	<hr/>	<hr/>
Deferred tax charged in the statement of other comprehensive income for the year	-	-
	<hr/>	<hr/>
Provision for deferred tax		
Tax losses carried forward and other deductions (excess management charges)	-	-
Capital gains/(losses)	-	-
	<hr/>	<hr/>
Total deferred tax liability	-	-
	<hr/>	<hr/>
Movement in provision:		
Provision at start of period	-	-
Deferred tax charged in other comprehensive income	-	-
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st March 2017

5. TAXATION - (continued)

Reconciliation of tax charge

	2017	2016
	£	£
Profit/(loss) on ordinary activities before taxation	22,048	(8,787)
Tax on profit/(loss) on ordinary activities at standard corporation Tax rate of 20% (2016 - 20%)	4,410	(1,757)
Effect of:		
Expenses not deductible for tax purposes	-	-
Group relief claimed	(2,234)	-
Adjust closing deferred tax to average rate of 20% (21%)	-	217
Adjust opening deferred tax to average rate of 20% (21%)	(218)	
Deferred tax not recognised	(1,958)	1,540
	<hr/>	<hr/>
<i>Tax charge for the year</i>	-	-
	<hr/>	<hr/>

6. CURRENT ASSET INVESTMENTS

	Listed Investments	Unlisted Investments	Total
	£	£	£
Cost or valuation			
At 1 st April 2016	144,931	410	145,341
Additions	-	-	-
Revaluation	87,137	(410)	86,727
Disposals - proceeds	(159,666)	(567)	(160,233)
Disposals – (losses)/profits on sale	(72,402)	567	(71,835)
	<hr/>	<hr/>	<hr/>
At 31 st March 2017	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 st March 2016	144,931	410	145,341
	<hr/>	<hr/>	<hr/>

LONDON COMMERCIAL AND MERCANTILE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March 2017

7. PARENT COMPANY LOAN

	2017 £	2016 £
Balance at 1 st April	180,000	380,000
Movement in year	(172,599)	(200,000)
	<hr/>	<hr/>
	7,401	180,000
	<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

	2017 £	2016 £
Profit and loss account		
Balance at 1 st April	(64,455)	(55,668)
Total comprehensive income/(deficit) for the year	22,047	(8,787)
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	(42,408)	(64,455)
	<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.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st March 2017

11. 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.