

MERSEYSIDE SHIP STORES LIMITED

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

MERSEYSIDE SHIP STORES LIMITED
REGISTERED NUMBER: 04609331

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	5	42,666	65,256
Investments	6	-	10
		<u>42,666</u>	<u>65,266</u>
Current assets			
Stocks		169,234	231,539
Debtors: amounts falling due within one year	7	680,779	534,083
Cash at bank and in hand	8	176,600	69,815
		<u>1,026,613</u>	<u>835,437</u>
Creditors: amounts falling due within one year	9	(733,769)	(674,079)
Net current assets		<u>292,844</u>	<u>161,358</u>
Total assets less current liabilities		<u>335,510</u>	<u>226,624</u>
Creditors: amounts falling due after more than one year	10	(44,408)	(63,662)
Provisions for liabilities			
Deferred tax		(10,570)	(12,295)
		<u>(10,570)</u>	<u>(12,295)</u>
Net assets		<u><u>280,532</u></u>	<u><u>150,667</u></u>
Capital and reserves			
Called up share capital		10,000	10,000
Capital redemption reserve		10,000	10,000
Profit and loss account		260,532	130,667
		<u><u>280,532</u></u>	<u><u>150,667</u></u>

MERSEYSIDE SHIP STORES LIMITED
REGISTERED NUMBER: 04609331

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MARCH 2022

The director considers that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 6 July 2022.

M. A. Moss

Director

The notes on pages 3 to 13 form part of these financial statements.

MERSEYSIDE SHIP STORES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1. General information

Merseyside Ship Stores Limited is a private limited company, limited by shares, incorporated in England and Wales. It's registered office is Marine House, Unit 9 Lumina Business Park, Martindale Road, Bromborough, Merseyside, CH62 3PT. The company number is 04609331.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

The company depends on its existing bank facilities to meet its day to day working capital requirements. Current forecasts indicate that the company expects to be able to operate within these facilities for the whole of the foreseeable future. These facilities are renewed annually and are not guaranteed for the period covered by the going concern review. The Directors are not aware, however, of any circumstances that may adversely affect the renewal of these facilities. Accordingly, the directors believe it is appropriate to prepare the financial statements on the going concern basis.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.4 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.5 Leased assets: the Company as lessee

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to profit or loss so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.6 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.7 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.8 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.9 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge 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 other 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 tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting 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 tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.10 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.11 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.11 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant & machinery	- 6.67% to 20% straight line
Motor vehicles	- 25% to 33.33% straight line
Office equipment	- 20% straight line
Computer equipment	- 33.33% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.12 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.13 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.14 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.15 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.16 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.17 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

2.18 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

2.19 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

MERSEYSIDE SHIP STORES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

3. Employees

The average monthly number of employees, including directors, during the year was 14 (2021 - 16).

4. Intangible assets

	Goodwill £
Cost	
At 1 April 2021	160,000
At 31 March 2022	160,000
Amortisation	
At 1 April 2021	160,000
At 31 March 2022	160,000
Net book value	
At 31 March 2022	-
At 31 March 2021	-

MERSEYSIDE SHIP STORES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
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5. Tangible fixed assets

	Plant & machinery £	Motor vehicles £	Office equipment £	Computer equipment £	Total £
Cost or valuation					
At 1 April 2021	228,066	174,955	9,719	50,942	463,682
Additions	-	-	-	972	972
Disposals	-	(42,176)	-	-	(42,176)
At 31 March 2022	228,066	132,779	9,719	51,914	422,478
Depreciation					
At 1 April 2021	210,222	131,086	9,719	47,399	398,426
Charge for the year on owned assets	5,037	5,142	-	2,101	12,280
Charge for the year on financed assets	-	11,282	-	-	11,282
Disposals	-	(42,176)	-	-	(42,176)
At 31 March 2022	215,259	105,334	9,719	49,500	379,812
Net book value					
At 31 March 2022	12,807	27,445	-	2,414	42,666
At 31 March 2021	17,844	43,869	-	3,543	65,256

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2022 £	2021 £
Motor vehicles	24,445	43,869
	<u>24,445</u>	<u>43,869</u>

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NOTES TO THE FINANCIAL STATEMENTS
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6. Fixed asset investments

	Investments in subsidiary companies £
At 1 April 2021	10
Disposals	(10)
At 31 March 2022	-

7. Debtors

	2022 £	2021 £
Trade debtors	613,213	462,948
Other debtors	26,509	32,784
Prepayments and accrued income	41,057	38,351
	<u>680,779</u>	<u>534,083</u>

8. Cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	176,600	69,815
Less: bank overdrafts	(57,034)	(47,123)
	<u>119,566</u>	<u>22,692</u>

MERSEYSIDE SHIP STORES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

9. Creditors: Amounts falling due within one year

	2022 £	2021 £
Bank overdrafts	57,034	47,123
Bank loans	255,992	242,543
Trade creditors	310,652	287,637
Corporation tax	46,079	27,590
Other taxation and social security	6,075	4,953
Obligations under finance lease and hire purchase contracts	9,588	14,158
Other creditors	304	7,507
Accruals and deferred income	48,045	42,568
	<u>733,769</u>	<u>674,079</u>

Bank loans amounting to £246,326 (2021 - £236,231) are secured on the book debts of the company.

Obligations under finance lease and hire purchase contracts are secured on the assets concerned.

10. Creditors: Amounts falling due after more than one year

	2022 £	2021 £
Bank loans	34,022	43,688
Net obligations under finance leases and hire purchase contracts	10,386	19,974
	<u>44,408</u>	<u>63,662</u>

Net obligations under finance lease and hire purchase contracts are secured on the assets concerned.

The aggregate amount of liabilities repayable wholly or in part more than five years after the reporting date is:

	2022 £	2021 £
Repayable by instalments	-	3,535
	<u>-</u>	<u>3,535</u>

Bank loans falling due after five years are repayable by 60 monthly instalments commencing August 2021 and interest is charged at a rate of 2.5% per annum.

MERSEYSIDE SHIP STORES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

11. Loans

Analysis of the maturity of loans is given below:

	2022 £	2021 £
Amounts falling due within one year		
Bank loans	255,992	242,543
	<u>255,992</u>	<u>242,543</u>
Amounts falling due 1-2 years		
Bank loans	9,908	9,666
	<u>9,908</u>	<u>9,666</u>
Amounts falling due 2-5 years		
Bank loans	24,114	30,487
	<u>24,114</u>	<u>30,487</u>
Amounts falling due after more than 5 years		
Bank loans	-	3,535
	<u>-</u>	<u>3,535</u>
	<u><u>290,014</u></u>	<u><u>286,231</u></u>

12. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2022 £	2021 £
Within one year	9,588	14,565
Between 1-5 years	10,386	19,974
	<u>19,974</u>	<u>34,539</u>

MERSEYSIDE SHIP STORES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
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13. Financial instruments

	2022	2021
	£	£
Financial assets		
Financial assets measured at fair value through profit or loss	<u>176,600</u>	<u>69,815</u>

Financial assets measured at fair value through profit or loss comprise bank & cash balances.

14. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £10,432 (2021 - £22,498).

15. Controlling party

The controlling party of the company is M. A. Moss.

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.