

The Merchant Bar Limited

Annual Report and Unaudited Financial Statements
for the Period from 3 April 2017 to 29 April 2018

MMO Limited
Wellesley House
204 London Road
Waterlooville
Hampshire
PO7 7AN

**Chartered Accountants' Report to the Director on the Preparation of the Unaudited Statutory
Accounts of
The Merchant Bar Limited
for the Period Ended 29 April 2018**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of The Merchant Bar Limited for the period ended 29 April 2018 as set out on pages 2 to 10 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 <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the Board of Directors of The Merchant Bar Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the accounts of The Merchant Bar Limited and state those matters that we have agreed to state to the Board of Directors of The Merchant Bar Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Merchant Bar Limited and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that The Merchant Bar Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and loss of The Merchant Bar Limited. You consider that The Merchant Bar Limited is exempt from the statutory audit requirement for the period.

We have not been instructed to carry out an audit or a review of the accounts of The Merchant Bar 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 accounts.

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MMO Limited
Wellesley House
204 London Road
Waterlooville
Hampshire
PO7 7AN

21 March 2019

The Merchant Bar Limited
(Registration number: 10703353)
Balance Sheet as at 29 April 2018

	Note	2018 £
Fixed assets		
Intangible assets	<u>4</u>	45,000
Tangible assets	<u>5</u>	33,044
		<u>78,044</u>
Current assets		
Stocks	<u>6</u>	6,760
Debtors	<u>7</u>	121
Cash at bank and in hand		10,846
		<u>17,727</u>
Creditors: Amounts falling due within one year	<u>9</u>	<u>(80,309)</u>
Net current liabilities		<u>(62,582)</u>
Total assets less current liabilities		15,462
Creditors: Amounts falling due after more than one year	<u>9</u>	<u>(61,403)</u>
Net liabilities		<u>(45,941)</u>
Capital and reserves		
Called up share capital	<u>8</u>	100
Profit and loss account		(46,041)
Total equity		<u>(45,941)</u>

For the financial period ending 29 April 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The members have not required the company to obtain an audit of its accounts for the period in question in accordance with section 476; and
- The director acknowledges her responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

The notes on pages 4 to 10 form an integral part of these financial statements.
Page 2

The Merchant Bar Limited

(Registration number: 10703353)

Balance Sheet as at 29 April 2018

Approved and authorised by the director on 21 March 2019

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J Gilmore
Director

The notes on pages 4 to 10 form an integral part of these financial statements.

Page 3

The Merchant Bar Limited

Notes to the Financial Statements for the Period from 3 April 2017 to 29 April 2018

1 General information

The company is a private company limited by share capital, incorporated in England and Wales .

The address of its registered office is:

Wellesley House
204 London Road
Waterlooville
Hampshire
PO7 7AN
England

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

The Merchant Bar Limited

Notes to the Financial Statements for the Period from 3 April 2017 to 29 April 2018

Asset class	Depreciation method and rate
Fixtures and fittings	25% reducing balance

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	Straight line over 10 years

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are 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.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

The Merchant Bar Limited

Notes to the Financial Statements for the Period from 3 April 2017 to 29 April 2018

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges. Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company (including the director) during the period, analysed by category was as follows:

	3 April 2017 to 29 April 2018
	No.
Administration and support	<u>9</u>

The Merchant Bar Limited

Notes to the Financial Statements for the Period from 3 April 2017 to 29 April 2018

4 Intangible assets

	Goodwill £	Total £
Cost or valuation		
Additions acquired separately	50,000	50,000
At 29 April 2018	50,000	50,000
Amortisation		
Amortisation charge	5,000	5,000
At 29 April 2018	5,000	5,000
Carrying amount		
At 29 April 2018	45,000	45,000

5 Tangible assets

	Furniture, fittings and equipment £	Total £
Cost or valuation		
Additions	44,058	44,058
At 29 April 2018	44,058	44,058
Depreciation		
Charge for the period	11,014	11,014
At 29 April 2018	11,014	11,014
Carrying amount		
At 29 April 2018	33,044	33,044

6 Stocks

	2018 £
Other inventories	6,760

The Merchant Bar Limited

Notes to the Financial Statements for the Period from 3 April 2017 to 29 April 2018

7 Debtors

	2018
	£
Prepayments	<u>121</u>
	<u><u>121</u></u>

8 Share capital

Allotted, called up and fully paid shares

	2018	
	No.	£
Ordinary share of £1 each	100	100
	<u><u>100</u></u>	<u><u>100</u></u>

The Merchant Bar Limited

Notes to the Financial Statements for the Period from 3 April 2017 to 29 April 2018

9 Creditors

Creditors: amounts falling due within one year

	Note	2018 £
Due within one year		
Bank loans and overdrafts	<u>10</u>	977
Trade creditors		19,039
Taxation and social security		24,467
Accruals and deferred income		6,501
Other creditors		<u>29,325</u>
		<u>80,309</u>

Creditors: amounts falling due after more than one year

	Note	2018 £
Due after one year		
Loans and borrowings	<u>10</u>	<u>61,403</u>

10 Loans and borrowings

	2018 £
Non-current loans and borrowings	
Other borrowings	<u>61,403</u>

	2018 £
Current loans and borrowings	
Other borrowings	<u>977</u>

The Merchant Bar Limited

Notes to the Financial Statements for the Period from 3 April 2017 to 29 April 2018

11 Related party transactions

Transactions with directors

	Repayments by director £	At 29 April 2018 £
2018		
J Gilmore		
Directors loan account is undated, unsecured, interest free and repayable on demand,	(977)	(977)

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.