

Limited Liability Partnership Registration No. OC326721 (England and Wales)

AJA ARCHITECTS LLP
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016
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AJA ARCHITECTS LLP

LIMITED LIABILITY PARTNERSHIP INFORMATION

Designated members

S Poole
A I P Smith
M Lakin

Limited liability partnership number OC326721

Registered office

1170 Elliott Court
Herald Avenue
Coventry Business Park
Coventry
CV5 6UB

Accountants

Spencer Gardner Dickins Limited
3 Coventry Innovation Village
Cheetah Road
Coventry
CV1 2TL

AJA ARCHITECTS LLP

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BALANCE SHEET

AS AT 31 MARCH 2016

	Notes	2016 £	£	2015 £	£
Fixed assets					
Tangible assets	4		10,745		21,454
Current assets					
Debtors	5	569,731		504,276	
Cash at bank and in hand		756,300		521,624	
		<u>1,326,031</u>		<u>1,025,900</u>	
Creditors: amounts falling due within one year	7	<u>(144,263)</u>		<u>(133,664)</u>	
Net current assets			1,181,768		892,236
Total assets less current liabilities			<u>1,192,513</u>		<u>913,690</u>
Represented by:					
Loans and other debts due to members within one year					
Amounts due in respect of profits			1,112,513		833,690
Members' capital classified as equity			80,000		80,000
Total members' interests			<u>1,192,513</u>		<u>913,690</u>
Loans and other debts due to members			1,112,513		833,690
Members' other interests			80,000		80,000
			<u>1,192,513</u>		<u>913,690</u>

The members of the limited liability partnership have elected not to include a copy of the profit and loss account within the financial statements.

AJA ARCHITECTS LLP

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2016

For the financial year ended 31 March 2016 the limited liability partnership was entitled to exemption from audit under section 477 of the Companies Act 2006 (as applied by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) relating to small limited liability partnerships

Members' responsibilities:

- ⌘ The members have not required the limited liability partnership to obtain an audit of its financial statements for the year in question in accordance with section 476;
- ⌘ The members acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to limited liability partnerships subject to the small limited liability partnerships' regime.

The financial statements were approved by the members and authorised for issue on 10 October 2016 and are signed on their behalf by:



S Poole

Designated member



A I P Smith

Designated Member



M Lakin

Designated Member

Limited Liability Partnership Registration No. OC326721

AJA ARCHITECTS LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

1 Accounting policies

Limited liability partnership information

AJA Architects LLP is a limited liability partnership domiciled and incorporated in England and Wales. The registered office is 1170 Elliott Court, Herald Avenue, Coventry Business Park, Coventry, CV5 6UB.

1.1 Accounting convention

These financial statements have been prepared in accordance with the Statement of Recommended Practice "Accounting by Limited Liability Partnerships" issued in July 2014, together with FRS 102 Section 1A Small Entities "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the limited liability partnership. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 March 2016 are the first financial statements of AJA Architects LLP prepared in accordance with FRS 102 Section 1A Small Entities, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 Section 1A Small Entities was 1 April 2014. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102 Section 1A Small Entities.

1.2 Turnover

Revenue is recognised at the fair value of the consideration received for services provided in the normal course of business, and is shown net of VAT. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue recognition

Fee income represents revenue earned under a wide variety of contracts to provide professional services. Revenue is recognised as earned when, and to the extent that, the firm obtains the right to consideration in exchange for its performance under these contracts. It is measured at the fair value of the right to consideration, which represents amounts chargeable to clients, including expenses and disbursements but excluding value added tax.

Revenue is generally recognised as contract activity progresses so that for incomplete contracts it reflects the partial performance of the contractual obligations. For such contracts the amount of revenue reflects the accrual of the right to consideration by reference to the value of work performed. Revenue not billed to clients is included in debtors and payments on account in excess of the relevant amount of revenue are included in creditors.

If, at the Balance sheet date, completion of contractual obligations is dependent on external factors (and thus outside the control of the Limited Liability Partnership), then revenue is recognised only when the event occurs. In such cases, costs incurred up to the Balance sheet date are carried forward as work in progress.

AJA ARCHITECTS LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

1 Accounting policies

(Continued)

1.3 Members' participating interests

Profits are automatically divided as they arise, so the LLP does not have an unconditional right to refuse payment and the amounts arising that are due to members are in the nature of liabilities. They are therefore treated as an expense and presented as members remuneration charged as an expense in arriving at the result for the relevant year. To the extent that they remain unpaid at the period end, they are shown as liabilities.

Losses are automatically divided as they arise giving the LLP the right to seek payment from members. Therefore they are presented within members' remuneration charged as an expense and, to the extent they remain unpaid and are considered recoverable, shown as debtors in the Statement of Financial position and as amounts due from members within members' interests.

The members' participation rights that are classified as liabilities are repayable upon demand, or at short notice (e.g. upon termination of membership), and as such whilst they are financing transactions, the effect of discounting is considered immaterial and so they are not discounted to present value.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings and equipment	15% to 25% per annum straight line method
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

1.5 Impairment of fixed assets

At each reporting end date, the limited liability partnership reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the limited liability partnership estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

AJA ARCHITECTS LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

1 Accounting policies

(Continued)

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The limited liability partnership has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the limited liability partnership's statement of financial position when the limited liability partnership becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally 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.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in or .

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the limited liability partnership transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the limited liability partnership after deducting all of its liabilities.

AJA ARCHITECTS LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

1 Accounting policies

(Continued)

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow limited liability partnership companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables 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 payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the limited liability partnership's obligations expire or are discharged or cancelled.

1.8 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the limited liability partnership is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.9 Retirement benefits and post retirement payments to members

The company operates a defined contribution scheme. The assets of the scheme are held separately from those of the limited liability partnership in an independently administered fund. The pension cost charge represents contributions payable by the limited liability partnership to the fund.

The LLP has no obligation to make post-retirement payments to members.

1.10 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

1.11 Taxation

Taxation on all the LLP's profits is solely the liability of individual members and is not dealt with in these financial statements.

AJA ARCHITECTS LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

2 Judgements and key sources of estimation uncertainty

In the application of the limited liability partnership's accounting policies, the members are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Work in progress

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

The amount included on the balance sheet in respect of such contracts is disclosed within trade debtors.

Operating lease commitments

The limited liability partnership has entered into commercial leases as a lessee in order to obtain use of property, plant and equipment and motor vehicles. The classification of such leases as operating or finance lease requires the limited liability partnership to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the balance sheet.

3 Employees

The average number of persons (excluding members) employed by the partnership during the year was:

	2016 Number	2015 Number
Total	16	16

AJA ARCHITECTS LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

4 Tangible fixed assets

	Fixtures, fittings and equipment £
Cost	
At 1 April 2015	149,152
Additions	4,324
Disposals	(38,389)
At 31 March 2016	115,087
Depreciation and impairment	
At 1 April 2015	127,698
Depreciation charged in the year	15,033
Eliminated in respect of disposals	(38,389)
At 31 March 2016	104,342
Carrying amount	
At 31 March 2016	10,745
At 31 March 2015	21,454

5 Debtors

	2016 £	2015 £
Amounts falling due within one year:		
Trade debtors	514,751	455,623
Prepayments and accrued income	54,980	48,653
	<u>569,731</u>	<u>504,276</u>

6 Loans and overdrafts

	2016 £	2015 £
Other loans	-	20,227
	<u>-</u>	<u>20,227</u>
Payable within one year	-	20,227
	<u>-</u>	<u>20,227</u>

AJA ARCHITECTS LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

7 Creditors: amounts falling due within one year

	Notes	2016 £	2015 £
Loans and overdrafts	6	-	20,227
Trade creditors		23,984	23,887
Other taxation and social security		99,807	80,092
Other creditors		2,000	2,000
Accruals and deferred income		18,472	7,458
		<u>144,263</u>	<u>133,664</u>

AJA ARCHITECTS LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

8 Operating lease commitments

Lessee

At the reporting end date the limited liability partnership had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2016 £	2015 £
Within one year	1,610	503
Between two and five years	56,996	94,668
In over five years	478,500	530,640
	<u>537,106</u>	<u>625,811</u>

Lessor

At the reporting end date the limited liability partnership had contracted with tenants for the following minimum lease payments:

	2016 £	2015 £
Within one year	<u>13,000</u>	<u>-</u>