

Company Registration No. SC315213 (Scotland)

A & A (INVERNESS) LTD

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2018

PAGES FOR FILING WITH REGISTRAR

A & A (INVERNESS) LTD

CONTENTS

	Page
Statement of financial position	1
Notes to the financial statements	2 - 6

A & A (INVERNESS) LTD

STATEMENT OF FINANCIAL POSITION

AS AT 31 MAY 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Goodwill	6		74,907		105,759
Property, plant and equipment	7		2,320		4,571
			<u>77,227</u>		<u>110,330</u>
Current assets					
Trade and other receivables	8	4,072		4,072	
Cash at bank and in hand		57,487		69,560	
		<u>61,559</u>		<u>73,632</u>	
Current liabilities	9	(139,830)		(124,638)	
Net current liabilities			<u>(78,271)</u>		<u>(51,006)</u>
Total assets less current liabilities			<u>(1,044)</u>		<u>59,324</u>
Non-current liabilities	10		(89,792)		(120,916)
Net liabilities			<u>(90,836)</u>		<u>(61,592)</u>
Equity					
Called up share capital	11		100		100
Retained earnings			(90,936)		(61,692)
Total equity			<u>(90,836)</u>		<u>(61,592)</u>

The director of the company has elected not to include a copy of the income statement or related notes within the financial statements.

For the financial year ended 31 May 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved and signed by the director and authorised for issue on 26 February 2019

Mr Amjed Rasul

Director

Company Registration No. SC315213

A & A (INVERNESS) LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2018

1 Company Information

A & A (Inverness) Ltd is a private company limited by shares incorporated in Scotland. The registered office is 4 North Guildry Street, Elgin, Moray, IV30 1JR.

2 Compliance with accounting standards

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in pounds sterling, which is the functional currency of the company.

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

3 Accounting policies

The balance sheet shows that liabilities exceed assets by £90,836 including a liability to the director of the company of £40,355. The director of the company has confirmed that he will maintain financial support for the foreseeable future to enable the company to continue normal trading operations. The financial statements are therefore drawn up on a going concern basis.

3.1 Revenue

Turnover consists of the sales value, excluding VAT, of work in the period under contracts to provide services to third parties, together with related expenses. It includes the relevant proportion of contract value for performance up to the period end. Sales of services are recognised when the company has provided the service to the customer and collectability of the related receivable is reasonably assured.

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 it is probable will be recovered.

3.2 Intangible fixed assets - goodwill

Acquired goodwill is written off in equal annual installments over its estimated useful economic life of five years.

3.3 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably.

A & A (INVERNESS) LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2018

3 Accounting policies

(Continued)

Amortisation 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:

Franchise acquisition fees	20% straight line
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Franchise acquisition fees have been amortised in full.

3.4 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Office equipment	33% and 25% straight line
Fixtures, fittings and equipment	25% straight line

3.5 Basic financial instruments

The company 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 company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with 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.

3.6 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

The charge for taxation takes into account taxation deferred as a result of timing differences between the treatment of certain items for taxation and accounting purposes. In general, deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. Deferred taxation is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which the timing differences reverse, based on tax rates and the law enacted or substantively enacted at the balance sheet date.

A & A (INVERNESS) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2018

3 Accounting policies

(Continued)

3.7 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 non-current assets.

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

3.8 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

3.9 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.

3.10 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and 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.

4 Exceptional costs

	2018	2017
	£	£
Exceptional legal costs	-	50,489
	<u> </u>	<u> </u>

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was 8 (2017 - 8).

A & A (INVERNESS) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2018

6 Intangible fixed assets

	Goodwill £	Other £	Total £
Cost			
At 1 June 2017	152,511	12,000	164,511
Disposals	(2,000)	-	(2,000)
At 31 May 2018	150,511	12,000	162,511
Amortisation and impairment			
At 1 June 2017	46,752	12,000	58,752
Amortisation charged for the year	28,852	-	28,852
At 31 May 2018	75,604	12,000	87,604
Carrying amount			
At 31 May 2018	74,907	-	74,907
At 31 May 2017	105,759	-	105,759

7 Property, plant and equipment

	Plant and machinery etc £
Cost	
At 1 June 2017 and 31 May 2018	10,492
Depreciation and impairment	
At 1 June 2017	5,921
Depreciation charged in the year	2,251
At 31 May 2018	8,172
Carrying amount	
At 31 May 2018	2,320
At 31 May 2017	4,571

8 Trade and other receivables

	2018 £	2017 £
Amounts falling due within one year:		
Corporation tax recoverable	4,072	4,072

A & A (INVERNESS) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2018

9 Current liabilities

	2018 £	2017 £
Trade payables	-	1,560
Corporation tax	-	4,069
Other taxation and social security	7,424	7,725
Other payables	132,406	111,284
	<u>139,830</u>	<u>124,638</u>

10 Non-current liabilities

	2018 £	2017 £
Other payables	<u>89,792</u>	<u>120,916</u>

11 Called up share capital

	2018 £	2017 £
Ordinary share capital		
Issued and fully paid		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
	<u>100</u>	<u>100</u>

12 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2018 £	2017 £
	<u>11,019</u>	<u>24,165</u>

13 Directors' transactions

At 31 May 2017 the company owed the director £2,494. During the year the director met expenses totalling £37,861 on behalf of the company. At 31 May 2018 the company owed the director £40,355. This loan is interest free and has no fixed terms of repayment.

During the year the company paid dividends totalling £nil (2017 - £13,000) to the director.

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.