

Company Registration No. SC527708 (Scotland)

AVIGHNAM LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 28 FEBRUARY 2017
PAGES FOR FILING WITH REGISTRAR

AVIGHNAM LIMITED

COMPANY INFORMATION

Director	Mr J Chauhan
Company number	SC527708
Registered office	19 - 21 Stirling Street Airdie ML6 0AH
Accountants	CLC Accountants & Business Advisors Limited 32 - 36 Chorley New Road Bolton Lancashire
Business address	19 - 21 Stirling Street Airdie ML6 0AH

AVIGHNAM LIMITED

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AVIGHNAM LIMITED

DIRECTOR'S REPORT

FOR THE PERIOD ENDED 28 FEBRUARY 2017

The director presents his annual report and financial statements for the Period ended 28 February 2017. The company was incorporated on 24 February 2016 and commenced trading on that date.

Principal activities

The principal activity of the company was that of a convenience store.

Director

The director who held office during the Period and up to the date of signature of the financial statements was as follows:

Mr J Chauhan

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

Mr J Chauhan

Director

23 June 2017

AVIGHNAM LIMITED

BALANCE SHEET

AS AT 28 FEBRUARY 2017

	Notes	2017 £	£
Fixed assets			
Goodwill	3		90,000
Current assets			
Stocks		30,000	
Cash at bank and in hand		9,888	
		<u>39,888</u>	
Creditors: amounts falling due within one year	4	<u>(31,498)</u>	
Net current assets			8,390
Total assets less current liabilities			<u>98,390</u>
Creditors: amounts falling due after more than one year	5		(96,332)
Net assets			<u>2,058</u>
Capital and reserves			
Called up share capital	6		1
Profit and loss reserves			<u>2,057</u>
Total equity			<u>2,058</u>

The director of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial Period ended 28 February 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The director acknowledges his responsibilities for complying with the requirements of the Act 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 Period 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 23 June 2017

Mr J Chauhan
Director

AVIGHNAM LIMITED

BALANCE SHEET (CONTINUED)

AS AT 28 FEBRUARY 2017

Company Registration No. SC527708

AVIGHNAM LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 28 FEBRUARY 2017

1 Accounting policies

Company information

Avighnam Limited is a private company limited by shares incorporated in Scotland. The registered office is 19 - 21 Stirling Street, Airdie, ML6 0AH.

1.1 Accounting convention

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 sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These financial statements for the Period ended 28 February 2017 are the first financial statements of Avighnam Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 24 February 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Reporting period

These financial statements for the period from 24 February 2016 to 28 February 2017 are the first financial statements of Avighnam Limited.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

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.

AVIGHNAM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 28 FEBRUARY 2017

1 Accounting policies

(Continued)

1.4 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 10 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

1.5 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss.

Reversals of impairment losses are also recognised in profit or loss.

1.6 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.

1.7 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 balance sheet 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.

Basic financial assets

Basic financial assets, which include debtors 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. Financial assets classified as receivable within one year are not amortised.

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 company after deducting all of its liabilities.

AVIGHNAM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 28 FEBRUARY 2017

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group 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 payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts 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 creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.9 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 profit and loss account 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

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

AVIGHNAM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 28 FEBRUARY 2017

1 Accounting policies

(Continued)

1.10 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 company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Employees

The average monthly number of persons (including directors) employed by the company during the Period was 2.

3 Intangible fixed assets

Goodwill
£

Cost

At 24 February 2016

-

Additions

100,000

At 28 February 2017

100,000

Amortisation and impairment

At 24 February 2016

-

Amortisation charged for the Period

10,000

At 28 February 2017

10,000

Carrying amount

At 28 February 2017

90,000

4 Creditors: amounts falling due within one year

2017
£

Bank loans and overdrafts

7,000

Trade creditors

17,905

Corporation tax

827

Other taxation and social security

3,266

Other creditors

2,500

31,498

AVIGHNAM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 28 FEBRUARY 2017

5 Creditors: amounts falling due after more than one year

	2017 £
Bank loans and overdrafts	61,833
Other creditors	34,499
	<u>96,332</u>

The long-term loans are secured by fixed charges over the assets of the company.

6 Called up share capital

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

7 Directors' transactions

During the Period the company entered into the following transactions with related parties:

Description	% Rate	Opening balance £	Amounts advanced £	Amounts repaid £	Closing balance £
Directors loan account	-	-	2,001	(36,500)	(34,499)
		-	2,001	(36,500)	(34,499)
		<u>-</u>	<u>2,001</u>	<u>(36,500)</u>	<u>(34,499)</u>

8 Controlling party

The ultimate controlling party is Mr Jigneshkumar Chauhan by virtue of his directorship.

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.