Company Registration No. 03606324 (England and Wales)

AARDVARK PROPERTIES LIMITED

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

PAGES FOR FILING WITH REGISTRAR

AARDVARK PROPERTIES LIMITED

COMPANY INFORMATION

Director	J S Hamburger
Secretary	A P Hughes
Company number	03606324
Registered office	Unit 4 Alpha Point Sharston Industrial Estate Bradnor Road Manchester M22 4TE
Accountants	Royce Peeling Green Limited The Copper Room Deva Centre Trinity Way Manchester M3 7BG

AARDVARK PROPERTIES LIMITED

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AARDVARK PROPERTIES LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2015

		2015		2014	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	3		788,220		788,220
Current assets					
Debtors	4	100,000		100,648	
Cash at bank and in hand		72,875		67,309	
		172,875		167,957	
Creditors: amounts falling due within one year	5	(79,570)		(79,602)	
Net current assets			93,305		88,355
Total assets less current liabilities			881,525		876,575
Creditors: amounts falling due after more than one year	6		(345,892)		(398,433)
Provisions for liabilities	8		(11,987)		(11,200)
Net assets			523,646		466,942
Capital and reserves					
Called up share capital	9		1		1
Capital redemption reserve			1		1
Profit and loss reserves			523,644		466,940
Total equity			523,646		466,942

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

AARDVARK PROPERTIES LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2015

For the financial year ended 31 December 2015 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

Director's responsibilities:

- 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;
- The director acknowledges his 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 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 13-9-2016

J S Hamburger
Director

Company Registration No. 03606324

1 Accounting policies

Company information

Aardvark Properties Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit 4 Alpha Point, Sharston Industrial Estate, Bradnor Road, Manchester, M22 4TE.

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 on 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 year ended 31 December 2015 are the first financial statements of Aardvark Properties 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 1 January 2014. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 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.

1 Accounting policies **(Continued)**

1.3 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:

Land and buildings Freehold	not provided

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 credited or charged to profit or loss.

1.4 Impairment of fixed assets

At each reporting end date, the company 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 company 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.

1.5 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.

1.6 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.

1 Accounting policies **(Continued)**

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.

Other financial assets
Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

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 profit or loss.

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 company 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 company after deducting all of its liabilities.

Basic financial liabilities, including trade and other payables, 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 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.

1 Accounting policies **(Continued)**

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.7 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.

1.8 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.

1.9 Investment Property

The property is considered to be investment property as defined by FRS102. In accordance with the standard the property is revalued annually and the surplus or deficit transferred to the profit and loss account. No depreciation is provided in respect of the property. This is a departure from the requirements of the Companies Act 2006 which requires all properties to be depreciated.

Depreciation is only one amongst many factors reflected in the annual valuation of the properties and accordingly the amount of depreciation which might otherwise have been charged cannot be separately identified or quantified. The director considers that this is necessary for the accounts to show a true and fair view.

2 Taxation

	2015 £	2014 £
Current tax		
UK corporation tax on profits for the current period	14,051	13,253
Deferred tax		
Origination and reversal of timing differences	787	959
Total tax charge	14,838	14,212

The charge for the year can be reconciled to the profit per the profit and loss account as follows:

	2015 £	2014 £
Profit before taxation	71,542	68,725
Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2014: 20.00%)	14,308	13,745
Tax effect of expenses that are not deductible in determining taxable profit	467	467
Permanent capital allowances in excess of depreciation	(786)	(959)
Other non-reversing timing differences	787	959
Tax at marginal rate	62	-
Tax expense for the year	14,838	14,212

3 Tangible fixed assets

	Land and buildings £
Cost	
At 1 January 2015 and 31 December 2015	788,220
Depreciation and impairment	
At 1 January 2015 and 31 December 2015	-
Carrying amount	
At 31 December 2015	788,220
At 31 December 2014	788,220

3 Tangible fixed assets **(Continued)**

Included in cost of land and buildings is freehold land of £691,489 (2014 - £691,489) which is not depreciated.

Freehold property is considered to be investment property as defined by FRS 102.

The land and building were valued by Longden Cook, Independent Valuers & Chartered Surveyors, on 10 March 2010. The properties were valued at an open market value, as defined under the RICS Appraisal and Valuation Manual (New Red Book), of £695,000. The buildings have not been depreciated as the director is of the opinion that any charge would be immaterial. The director has confirmed that valuation of investment property stands as that of the latest professional valuation of £695,000 and no impairments have occurred during the year.

4 Debtors

	2015	2014
Amounts falling due within one year:	**£**	**£**
Other debtors	100,000	100,648

5 Creditors: amounts falling due within one year

	2015	2014
	£	**£**
Bank loans and overdrafts	52,540	52,540
Corporation tax	14,051	13,253
Other taxation and social security	11,420	11,826
Other creditors	1,559	1,983
	79,570	79,602

6 Creditors: amounts falling due after more than one year

	2015	2014
	£	**£**
Bank loans and overdrafts	345,892	398,433

The bank loan was advanced on 1 April 2014 and is secured on the freehold property. It is being repaid by equal monthly instalments of £4,378 over one hundred and eleven months. Interest is charged quarterly at the rate of 2.25% above LIBOR. The bank loan is secured on the freehold property.

7 Loans and overdrafts

	2015	2014
	£	£
Bank loans	398,432	450,973
Payable within one year	52,540	52,540
Payable after one year	345,892	398,433

The bank loan was advanced on 1 April 2014 and is secured on the freehold property. It is being repaid by equal monthly instalments of £4,378 over one hundred and eleven months. Interest is charged quarterly at the rate of 2.25% above LIBOR. The bank loan is secured on the freehold property.

8 Provisions for liabilities

	2015	2014
	£	£
Deferred tax liabilities	11,987	11,200
	11,987	11,200

9 Called up share capital

	2015	2014
	£	£
Ordinary share capital		
Authorised		
1,000 Ordinary Shares of £1 each	1,000	1,000
Issued and fully paid		
1 Ordinary Shares of £1 each	1	1

10 Related party transactions

No guarantees have been given or received.

Mr J S Hamburger was also a director in Genesis Group International Limited. During the year Aardvark Properties Limited received £90,867 (2014 - £89,823) rental income from Genesis Group International Limited. At 31 December 2015 Genesis Group International Limited owed the company £100,000 (2014 - £100,648).

11 Control

Mr J S Hamburger, a director, ultimately controls the Company by virtue of his 100% interest in the voting rights of the Company.