

# **A&H Developers Ltd**

Registered number: 04900689

## **Annual report and financial statements**

**For the year ended 31 March 2017**

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**A&H DEVELOPERS LTD**  
**REGISTERED NUMBER: 04900689**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2017**

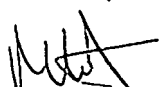
	Note	2017 £	2016 as restated £
<b>Fixed assets</b>			
Tangible assets	4	297,285	266,079
Investment property	5	3,838,971	3,890,190
		<u>4,136,256</u>	<u>4,156,269</u>
<b>Current assets</b>			
Debtors	6	393,483	447,984
Cash at bank and in hand	7	1,466	1,599
		<u>394,949</u>	<u>449,583</u>
Creditors: amounts falling due within one year	8	(4,108,819)	(2,026,950)
<b>Net current liabilities</b>		<u>(3,713,870)</u>	<u>(1,577,367)</u>
<b>Total assets less current liabilities</b>		<u>422,386</u>	<u>2,578,902</u>
Creditors: amounts falling due after more than one year	9	-	(2,264,546)
<b>Net assets</b>		<u><u>422,386</u></u>	<u><u>314,356</u></u>
<b>Capital and reserves</b>			
Called up share capital	13	1,100,000	1,100,000
Profit and loss account	14	(677,614)	(785,644)
		<u><u>422,386</u></u>	<u><u>314,356</u></u>

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

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

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on  
**12 MARCH 2018.**



**Mustafa Tariq Mohammed**  
**Director**

The notes on pages 3 to 15 form part of these financial statements.

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**A&H DEVELOPERS LTD**

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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2017**

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	<b>Called up share capital</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	<b>£</b>	<b>£</b>	<b>£</b>
At 1 April 2015	1,100,000	(727,499)	372,501
<b>Comprehensive income for the year</b>			
Loss for the year	-	(58,145)	(58,145)
<b>Total comprehensive income for the year</b>	-	(58,145)	(58,145)
At 1 April 2016	1,100,000	(785,644)	314,356
<b>Comprehensive income for the year</b>			
Profit for the year	-	108,030	108,030
<b>Total comprehensive income for the year</b>	-	108,030	108,030
<b>At 31 March 2017</b>	<b>1,100,000</b>	<b>(677,614)</b>	<b>422,386</b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017**

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**1. General information**

A&H Developers Limited ("the Company") is a private limited Company incorporated in England and Wales with registration number 04900689. The address of its registered office and principal place of business is Queen's Specialist Building, Queen Street, Farnworth, Bolton, BL4 7AH.

The company is a wholly owned subsidiary of Sharif Holdings Limited, a company incorporated in Dubai.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

In preparing these financial statements the company has taken advantage of the following exemptions:

- the requirements of Section 7 *Statement of Cash Flows* paragraph 7.1B.

**2.2 Going concern**

The use of the going concern basis of accounting is appropriate because there are no material uncertainties relating to events or conditions that may cast doubt over the ability of the company to continue as a going concern. The company has the continued support of its bankers and related companies.

**2.3 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

**Rendering of services**

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017**

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**2. Accounting policies (continued)**

**2.4 Tangible fixed assets**

Tangible fixed assets under the cost model, other than investment properties, are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Short-term Leasehold Property	- over the term of the lease
Fixtures & fittings	- 25% on reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

**2.5 Impairment of fixed assets and goodwill**

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

**2.6 Investment property**

Investment property is carried at fair value determined annually by external valuers or the director and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of Comprehensive Income.

**2.7 Debtors**

Short term debtors are measured at transaction price, less any impairment.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017**

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**2. Accounting policies (continued)**

**2.8 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**2.9 Financial instruments**

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an 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.

**2.10 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.11 Finance costs**

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017**

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**2. Accounting policies (continued)**

**2.12 Operating leases: the Company as lessee**

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The Company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 April 2015 to continue to be charged over the period to the first market rent review rather than the term of the lease.

**2.13 Borrowing costs**

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

**2.14 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017**

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**2. Accounting policies (continued)**

**2.15 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

**3. Employees**

The average monthly number of employees, including the director, during the year was 1 (2016 - 1)



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**A&H DEVELOPERS LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017**

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**4. Tangible fixed assets**

	Short term leasehold property £	Fixtures, vehicles and equipment £	Property improvements £	Total £
<b>Cost or valuation</b>				
At 1 April 2016 (as previously stated)	1,043,954	139,351	1,558,177	2,741,482
Prior Year Adjustment	-	-	(1,558,177)	(1,558,177)
At 1 April 2016 (as restated)	1,043,954	139,351	-	1,183,305
Additions	203,213	2,846	-	206,059
At 31 March 2017	1,247,167	142,197	-	1,389,364
<b>Depreciation</b>				
At 1 April 2016	789,057	128,169	-	917,226
Charge for the year on owned assets	142,722	5,590	-	148,312
Impairment charge	26,541	-	-	26,541
At 31 March 2017	958,320	133,759	-	1,092,079
<b>Net book value</b>				
At 31 March 2017	288,847	8,438	-	297,285
At 31 March 2016 (as restated)	254,897	11,182	-	266,079

The carrying value of tangible fixed assets pledged as security for liabilities is £297,285 (2016: £266,079).

A prior year adjustment has been made to restate the balance as at 1 April 2016 from £2,741,482, as previously stated, to £1,183,305. The adjustment of £1,558,177 represents the reclassification of freehold property improvements previously classified as tangible fixed assets to investment property in Note 11.

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**A&H DEVELOPERS LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017**

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**5. Investment property**

	<b>Freehold investment property £</b>
<b>Valuation</b>	
At 1 April 2016	3,890,190
Additions at cost	15,632
Surplus on revaluation	(66,852)
<b>At 31 March 2017</b>	<b>3,838,970</b>

The carrying value of investment property pledged as security for liabilities is £3,838,970 (2016: £3,890,190). An impairment charge of £66,852 has been recognised in the year.

A prior year adjustment has been made to restate the balance as at 1 April 2016 from £2,332,012, as previously stated, to £3,890,189. The adjustment of £1,558,177 represents the reclassification of freehold property improvements previously classified as tangible fixed assets in Note 10.

The June 2015 valuations were made by Christie & Co, a RICS qualified surveyor, on an open market value for existing use basis.

**At 31 March 2017**

If the Investment properties had been accounted for under the historic cost accounting rules, the properties would have been measured as follows:

	<b>2017 £</b>	<b>2016 £</b>
Historic cost	4,670,573	4,654,941
Accumulated depreciation and impairments	(831,603)	(764,751)
	<b>3,838,970</b>	<b>3,890,190</b>

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**A&H DEVELOPERS LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017**

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**6. Debtors**

	2017 £	2016 £
Trade debtors	-	82,680
Amounts owed by group undertakings	-	64,052
Other debtors	337,094	237,548
Prepayments and accrued income	48,793	57,042
Deferred taxation	7,596	6,662
	<u>393,483</u>	<u>447,984</u>

Included within other debtors due within one year is a loan to M Mohammed, a director, amounting to £33,682 (2016 - £33,682). Amounts repaid during the year totalled £Nil.

**7. Cash and cash equivalents**

	2017 £	2016 £
Cash at bank and in hand	1,466	1,599
Less: bank overdraft	(22,827)	(157)
	<u>(21,361)</u>	<u>1,442</u>

**8. Creditors: Amounts falling due within one year**

	2017 £	2016 £
Bank overdraft	22,827	157
Bank loan	2,313,250	60,454
Trade creditors	99,048	46,751
Amounts owed to group undertakings	1,642,863	1,712,183
Corporation tax	-	186,572
Other taxation and social security	1,224	1,224
Accruals and deferred income	29,607	19,609
	<u>4,108,819</u>	<u>2,026,950</u>

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**A&H DEVELOPERS LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017**

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**9. Creditors: Amounts falling due after more than one year**

	2017 £	2016 £
Bank loans	-	2,264,546
	<u>-</u>	<u>2,264,546</u>

**Secured loans**

The bank loans are secured by a first priority legal charge over the company's short term leasehold property and investment property along with a debenture over the company's other assets. A composite multilateral guarantee dated 30 October 2015 has been given by Genix Healthcare Ltd, A & H Developers Ltd and Sparkle Dental Labs Limited, subsidiary companies of Sharif Holdings Limited, the parent company.

A fellow subsidiary of the company has breached its bank covenants as at 31 March 2017. Due to the existence of a multilateral guarantee with this fellow subsidiary, the bank loans are disclosed as repayable on demand as at 31 March 2017. The company has the full support of its bank, HSBC Bank PLC, and has agreed additional facilities subsequent to the year end.

The loan is repayable by quarterly installments over a 7 year profile and attracts interest at 2.7% over LIBOR.

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**A&H DEVELOPERS LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017**

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**10. Loans**

Analysis of the maturity of loans is given below:

	<b>2017 £</b>	<b>2016 £</b>
<b>Amounts falling due within one year</b>		
Bank loans	2,313,250	60,454
	<u>2,313,250</u>	<u>60,454</u>
<b>Amounts falling due 1-2 years</b>		
Bank loans	-	212,965
	<u>-</u>	<u>212,965</u>
<b>Amounts falling due 2-5 years</b>		
Bank loans	-	471,576
	<u>-</u>	<u>471,576</u>
<b>Amounts falling due after more than 5 years</b>		
Bank loans	-	1,580,005
	<u>-</u>	<u>1,580,005</u>

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**A&H DEVELOPERS LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017**

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**11. Financial instruments**

	2017 £	2016 £
<b>Financial assets</b>		
Financial assets measured at fair value through profit or loss	1,466	1,599
Financial assets that are debt instruments measured at amortised cost	337,094	384,280
	<u>338,560</u>	<u>385,879</u>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	(4,178,393)	(4,102,616)
	<u>(4,178,393)</u>	<u>(4,102,616)</u>

Financial assets measured at amortised cost comprise trade debtors, other debtors and amounts owed by group undertakings.

Financial liabilities measured at amortised cost comprise bank loans and overdrafts, trade and other creditors and amounts owed to group undertakings.

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**A&H DEVELOPERS LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017**

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**12. Deferred taxation**

	<b>2017</b> <b>£</b>	<b>2016</b> <b>£</b>
At beginning of year	6,662	(27,254)
Charged to profit or loss	934	33,916
<b>At end of year</b>	<b>7,596</b>	<b>6,662</b>

The deferred tax asset is made up as follows:

	<b>2017</b> <b>£</b>	<b>2016</b> <b>£</b>
Accelerated capital allowances	9,134	(1,759)
Adjustments with respect to prior period	543	9,161
Rate Change	(2,081)	(740)
	<b>7,596</b>	<b>6,662</b>

**13. Share capital**

	<b>2017</b> <b>£</b>	<b>2016</b> <b>£</b>
<b>Allotted, called up and fully paid</b>		
1,100,000 Ordinary shares of £1 each	1,100,000	1,100,000

Ordinary shares carry full voting, dividend and distribution rights.

**14. Reserves****Profit & loss account**

This reserve represents cumulative profits and losses.

**15. Prior year adjustment**

A prior year adjustment has been made to reclassify freehold property improvements to freehold investment property. See Notes 10 and 11 for further information.

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**A&H DEVELOPERS LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017**

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**16. Contingent liabilities**

A multilateral guarantee dated 30 October 2015 has been given by the Company, Genix Healthcare Limited and Sparkle Dental Labs Limited, subsidiary companies of Sharif Holdings Limited, in respect of the bank loan. The total contingent liability at 31 March 2017 was £2,410,682 (2016: £2,761,766).

**17. Related party transactions**

A & H Developers Limited is a wholly owned subsidiary of Sharif Holdings Limited, a company resident in Dubai. During the year, the company had a loan balance with Sharif Holdings Limited.

During the year, the company Limited received rent in the sum of £666,980 (2016: £675,676) from Genix Healthcare Limited, a fellow subsidiary of Sharif Holdings Limited. The company also paid management fees of £6,000 (2016: £51,000) to Genix Healthcare Limited for the provision of administrative services. The company also had a loan an debtor balance with Genix Healthcare Limited. The net amount owed at the year end is shown below.

During the year, A&H Developers Limited received rent in the sum of £21,670 (2016: £41,340) from Sparkle Dental Labs Limited. The company also had a loan balance with Sparkle Dental Labs Limited. The net amount owed at the year end is shown below.

During the year, the company had a loan balance with Mr Mustafa Mohammed, a director.

During the year the company paid management fees of £27,688 (2016: £22,000) to ST Enterprises LLP, a partnership under common control. for the provision of administrative services.

Amounts due from/(to) related parties at the year end are shown below.

	2017 £	2016 £
Sharif Holdings Limited	7,746	7,746
Genix Healthcare Limited	(1,642,863)	(1,655,877)
Sparkle Dental Labs Limited	289,722	263,413
Mr Mustafa Mohammed	33,797	33,682
ST Enterprises LLP	38,194	22,000

**18. Controlling party**

The ultimate parent company is Sharif Holdings Limited, a company resident in Dubai. In the opinion of the director the ultimate controlling party is Mr Mustafa Mohammed by virtue of his shareholding in Sharif Holdings Limited.

**19. Auditors' information**

The auditors' report on the financial statements for the year ended 31 March 2017 was unqualified.

The audit report was signed on by Shaun Mullins (Senior Statutory Auditor) on behalf of Mazars LLP.