

AA2L LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2007

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Accountant's Report to the directors of AA2L Limited
for the year ended 31st December 2007

In accordance with your instructions we have examined the books and records and other information supplied by you and using these we have prepared the financial statements set out on pages 3 to 10.

Our examination does not constitute an audit and we therefore do not express any opinions with regard to these financial statements

These financial statements have been prepared solely for your benefit and in accordance with your instructions and to the fullest extent permitted by law we do not accept or assume responsibility to anyone other than you for the work performed in relation to these financial statements

18th March 2008
20a Racecommon Road
Barnsley
S70 1BH
11662 A/A032


Ashworth Bailey Limited
Chartered Accountants

AA2L Limited
Company No: 4958855

Directors' Report

for the year ended 31st December 2007

The directors present their report and the financial statements for the year ended 31st December 2007

Principal activities and review of the business

The company's principal activity continues to be that of architectural services

The results for the year are set out on page 3

Adequate finance has been obtained to take advantage of business opportunities and the directors consider the state of affairs to be satisfactory

Fixed assets

Details of movements in fixed assets during the year are set out in the notes to the financial statements

Directors

The directors who served during the year were


A K Bailey
Mrs R L Bailey

Events since the end of the year

No significant events have occurred since the end of the financial year

The Director's Report which is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies was approved by the board on 18th March 2008 and signed on its behalf

Mrs R L Bailey
Director

A handwritten signature in black ink, appearing to be 'RLB', followed by a horizontal line extending to the right.

AA2L Limited

Profit and Loss Account

year ended 31st December 2007

	Notes	2007	2006
Turnover	2	73,635	69,258
Administrative expenses		<u>(38,219)</u>	<u>(26,492)</u>
Operating profit	3	35,416	42,766
Interest receivable and similar income		28	-
Interest payable	5	<u>(933)</u>	<u>(19)</u>
Profit on ordinary activities before taxation		34,511	42,747
Tax on profit on ordinary activities	6	<u>(7,363)</u>	<u>(8,695)</u>
Profit for the financial year	13	<u>27,148</u>	<u>34,052</u>

Notes:

- 1 All of the above transactions relate to continuing operations
- 2 There were no recognised gains or losses other than those included in the profit and loss account

The notes on pages 5 to 10 form part of these financial statements

AA2L Limited**Balance Sheet**

31st December 2007	Notes	2007	2006
Fixed assets			
Intangible assets	7	18,000	21,000
Tangible assets	8	<u>14,263</u>	<u>5,679</u>
		<u>32,263</u>	<u>26,679</u>
Current assets			
Debtors	9	12,628	2,337
Cash at bank and in hand		<u>3,348</u>	<u>15,569</u>
		15,976	17,906
Creditors: amounts falling due within one year	10	<u>(38,259)</u>	<u>(17,458)</u>
Net current (liabilities) assets		<u>(22,283)</u>	<u>448</u>
Total assets less current liabilities		9,980	27,127
Provisions for liabilities	11	<u>(351)</u>	<u>(396)</u>
		<u>9,629</u>	<u>26,731</u>
Capital and reserves			
Called up share capital	12	100	100
Profit and loss account	13	<u>9,529</u>	<u>26,631</u>
Equity shareholders' funds	15	<u>9,629</u>	<u>26,731</u>

These annual accounts have not been audited because the company is entitled to the exemption provided by section 249A(1) Companies Act 1985 and members have not required the company to obtain an audit of its accounts for the year in accordance with section 249B(2). The directors acknowledge their responsibilities for ensuring that the company keeps accounting records that comply with section 221 Companies Act 1985. The directors also acknowledge their responsibilities for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its profit or loss for the financial period in accordance with section 226 Companies Act 1985 and which otherwise comply with the requirements of that Act relating to accounts, so far as applicable to the company. The accounts which are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies were approved by the board on 18th March 2008 and signed on its behalf

Mrs R L Bailey
Director



The notes on pages 5 to 10 form part of these financial statements

AA2L Limited

Notes to the financial statements

year ended 31st December 2007

1. Accounting policies

1.1 Basis of preparation of accounts

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (revised January 2005)

1.2 Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, net of value added tax and trade discounts

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation

Depreciation is provided at rates calculated to write off the reducing balance of cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

Fixtures and fittings	-	15% per annum
Office equipment	-	25% per annum
Motor Car	-	25% per annum

1.4 Intangible fixed assets and amortisation

Intangible fixed assets represents goodwill on acquisition and is stated at cost less amortisation. Amortisation is provided in equal instalments calculated to write off the cost over 10 years

1.5 Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to profit and loss account as incurred

1.6 Research and development

Expenditure on research and development is written off in the year that it is incurred

1.7 Deferred taxation

Deferred tax is provided on the liability method to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred is accounted for in respect of all material timing differences to the extent that it is considered that a net liability may crystallise

AA2L Limited**Notes to the financial statements (continued)****year ended 31st December 2007****1.8 Cash flow statement**

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from producing a cash flow statement on the grounds that it is a small company

2. Turnover

The whole of the turnover and profit before taxation from continuing activities is attributable to the principal activity of the company

3. Operating profit

Operating profit is after charging

	2007	2006
Depreciation of tangible fixed assets - owned by the company	4,366	1,461
Directors aggregate emoluments	9,106	8,593

4. Staff costs

Staff costs, including directors' remuneration, were as follows

Wages and salaries	9,000	8,477
Social security costs	<u>106</u>	<u>116</u>
	<u>9,106</u>	<u>8,593</u>

The average weekly number of employees, including directors, during the year was as follows:

	2007	2006
Office and administration	<u>2</u>	<u>2</u>

AA2L Limited**Notes to the financial statements (continued)****year ended 31st December 2007**

	2007	2006
5. Interest payable		
On bank loans and overdrafts	32	7
On hire purchase contracts	<u>901</u>	<u>12</u>
	<u>933</u>	<u>19</u>
6. Taxation		
Current year taxation		
UK corporation tax at marginal rate	7,408	8,567
Transfer to(from) deferred taxation	<u>(45)</u>	<u>79</u>
	7,363	8,646
Prior years		
UK corporation tax	<u>-</u>	<u>49</u>
	<u>7,363</u>	<u>8,695</u>

7. Intangible assets**Goodwill****Cost**

At 1 st January 2007	30,000
Additions	-
Disposals	<u>-</u>
At 31 st December 2007	<u>30,000</u>

Amortisation

At 1 st January 2007	9,000
On disposals	-
Amortisation for the year	<u>3,000</u>
At 31 st December 2007	<u>12,000</u>

Net book amount

As at 31 st December 2007	<u>18,000</u>
As at 31 st December 2006	<u>21,000</u>

AA2L Limited**Notes to the financial statements (continued)****period ended 31st December 2007****8. Tangible fixed assets**

	Motor car	Office equipment fittings	Fixtures and	Total
Cost				
At 1 st January 2007	-	5,419	4,548	9,967
Additions	26,494	455	-	26,949
Disposals	<u>(13,999)</u>	<u>-</u>	<u>-</u>	<u>(13,999)</u>
At 31 st December 2007	<u>12,495</u>	<u>5,874</u>	<u>4,548</u>	<u>22,917</u>
Depreciation				
At 1 st January 2007	-	2,658	1,630	4,288
On disposals	-	-	-	-
Charge for the year	<u>3,124</u>	<u>804</u>	<u>438</u>	<u>4,366</u>
At 31 st December 2007	<u>3,124</u>	<u>3,462</u>	<u>2,068</u>	<u>8,654</u>
Net book amounts				
At 31 st December 2007	<u>9,371</u>	<u>2,412</u>	<u>2,480</u>	<u>14,263</u>
At 31 st December 2006	<u>-</u>	<u>2,761</u>	<u>2,918</u>	<u>5,679</u>

9. Debtors

	2007	2006
Due within one year		
Trade debtors	<u>12,628</u>	<u>2,337</u>

10. Creditors: amounts falling due within one year

Trade creditors	832	-
Corporation tax	7,408	8,567
Accruals and deferred income	230	221
Directors loan account	26,465	7,849
Other taxes and social security costs	<u>3,324</u>	<u>821</u>
	<u>38,259</u>	<u>17,458</u>

AA2L Limited**Notes to the financial statements (continued)****year ended 31st December 2007****11. Provision for liabilities**

	2007	2006
Balance 1 st January 2007	396	317
Amount transferred to profit and loss	<u>(45)</u>	<u>79</u>
Balance 31 st December 2007	<u>351</u>	<u>396</u>

Full provision for deferred taxation has been made in these financial statements as above

The amount provided can be analysed as follows

	2007	2006
Accelerated capital allowances	<u>351</u>	<u>396</u>

12. Called up share capital**Authorised**

Ordinary shares of £1 each	<u>100</u>	<u>100</u>
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Allotted, called up and fully paid

Ordinary shares of £1 each	<u>100</u>	<u>100</u>
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13. Profit and loss account

Balance at 1 st January 2007	26,631	22,579
Profit retained for the year	27,148	34,052
Dividend (see note 14)	<u>(44,250)</u>	<u>(30,000)</u>
Balance at 31 st December 2007	<u>9,529</u>	<u>26,631</u>

14. Dividends

Dividends for which the company became liable during the year

On ordinary shares	<u>44,250</u>	<u>30,000</u>
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AA2L Limited

Notes to the financial statements (continued)

year ended 31st December 2007

	2007	2006
15. Reconciliation of movement in equity shareholders' funds		
Profit for the year	27,148	34,052
Dividend	<u>(44,250)</u>	<u>(30,000)</u>
Retained (loss) profit for the year	(17,102)	4,052
Other recognised gains and losses	-	-
New shares issued during the period	<u>-</u>	<u>-</u>
Net (reductions) additions in the year	(17,102)	4,052
Equity shareholders' funds at 31 st December 2006	<u>26,731</u>	<u>22,679</u>
Equity shareholders' funds at 31 st December 2007	<u>9,629</u>	<u>26,731</u>

16. Capital commitments

At the year end the company had capital commitments not provided for in these accounts as follows.

	2007	2006
Contracted for	nil	nil

17. Post balance sheet events

No significant events have occurred since the end of the financial year

18. Controlling party

A K Bailey, a director, who owns 80% of the issued share capital is the controlling party

19. Transactions with related parties

The following are related parties of the company

Directors - Mr A K Bailey
 - Mrs R L Bailey

During the year transactions with related parties and balances owing to(by) the company at the end of the financial year were as follows

		Transactions		Balance due to(by)	
		2007	2006	2007	Company at 2006
Directors					
Joint account	Net advances	(18,616)	6,512	(26,465)	(7,849)