
AA PROPERTY LTD

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 AUGUST 2017

AA PROPERTY LTD

COMPANY INFORMATION

Directors	Mr A S Sahib Mrs G J K Rana
Registered number	05900990
Registered office	London
Accountants	Ashon Chartered Accountants Sentai House 66 Waldeck Road Strand on the Green London W4 3NU
Bankers	Barclays Bank plc 5th Floor, Corinthian House 17 Lansdowne Road Croydon Surrey CR0 2BX

AA PROPERTY LTD
REGISTERED NUMBER: 05900990

STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	4	30,446	33,559
Investment property	5	3,000,000	3,000,000
		<u>3,030,446</u>	<u>3,033,559</u>
Current assets			
Debtors: amounts falling due within one year	6	8,000	9,006
Cash at bank and in hand	7	96,557	68,161
		<u>104,557</u>	<u>77,167</u>
Creditors: amounts falling due within one year	8	(142,583)	(148,670)
Net current liabilities		<u>(38,026)</u>	<u>(71,503)</u>
Total assets less current liabilities		<u>2,992,420</u>	<u>2,962,056</u>
Creditors: amounts falling due after more than one year	9	(1,647,931)	(1,728,412)
Provisions for liabilities			
Deferred tax		(107,131)	-
		<u>(107,131)</u>	<u>-</u>
Net assets		<u><u>1,237,358</u></u>	<u><u>1,233,644</u></u>

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 AUGUST 2017

	Note	2017 £	2016 £
Capital and reserves			
Called up share capital		3,000	3,000
Fair Value reserve	13	523,049	630,180
Profit and loss account	13	711,309	600,464
		<u>1,237,358</u>	<u>1,233,644</u>

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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 income statement 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 14 April 2018.

.....
Mr A S Sahib

Director

The notes on pages 3 to 11 form part of these financial statements.

.....
Mrs G J K Rana

Director

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

1. General information

A A Property Ltd is a private company limited by share capital and incorporated in England & Wales.

The company's registered number and registered office can be found on the Company Information page.

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 Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 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.

2.3 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

2. Accounting policies (continued)

2.3 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures & fittings	-	10%
Improvements to property	-	

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 Income Statement.

2.4 Revaluation of tangible fixed assets

Individual freehold and leasehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the Statement of Financial Position date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in the Income Statement unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in profit or loss.

2.5 Investment property

Investment property is carried at fair value determined annually by external valuers 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 Income Statement.

2.6 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.7 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

2. Accounting policies (continued)

2.8 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.

2.9 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.

2.10 Finance costs

Finance costs are charged to the Income Statement 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.

2.11 Borrowing costs

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

2.12 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 Income Statement 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 AUGUST 2017

2. Accounting policies (continued)

2.13 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Income Statement, 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

Staff costs were as follows:

The average monthly number of employees, including directors, during the year was 2 (2016 - 2).

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

4. Tangible fixed assets

	Fixtures & fittings £	Improvement to Property £	Total £
Cost or valuation			
At 1 September 2016	31,140	30,445	61,585
At 31 August 2017	31,140	30,445	61,585
Depreciation			
At 1 September 2016	28,026	-	28,026
Charge for the year on owned assets	3,113	-	3,113
At 31 August 2017	31,139	-	31,139
Net book value			
At 31 August 2017	1	30,445	30,446
At 31 August 2016	3,114	30,445	33,559

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

5. Investment property

	Freehold investment property £
Valuation	
At 1 September 2016	3,000,000
At 31 August 2017	3,000,000
Comprising	
Cost	2,369,820
Annual revaluation surplus/(deficit):	Annual revaluation surplus/(deficit):
2011	630,180
At 31 August 2017	3,000,000

The 2011 valuations were made by Cluttons LLP, Chartered Surveyors and property consultants, on an open market value for existing use basis.

At 31 August 2017

6. Debtors

	2017 £	2016 £
Other debtors	-	6
Prepayments and accrued income	8,000	9,000
	8,000	9,006

7. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	96,556	68,161
	96,556	68,161

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

8. Creditors: Amounts falling due within one year

	2017 £	2016 £
Bank loans	100,000	100,000
Corporation tax	27,747	19,995
Accruals and deferred income	14,836	28,675
	<u>142,583</u>	<u>148,670</u>

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

	2017 £	2016 £
Bank loans	1,000,931	1,081,412
Other creditors	647,000	647,000
	<u>1,647,931</u>	<u>1,728,412</u>

Secured loans

The company's bank facility is secured by a Debenture on the bank's standard form and first legal charge over the freehold investment property. The bank loan of £1,100,931 (2016: £1,181,412) included in creditors falling due within one year and creditors falling due after more than one year is secured.

The bank loans are for a term of 15 years from February 2011.

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

10. Loans

Analysis of the maturity of loans is given below:

	2017 £	2016 £
Amounts falling due within one year		
Bank loans	100,000	100,000
	<u>100,000</u>	<u>100,000</u>
Amounts falling due after more than 5 years		
Bank loans	1,000,931	1,081,412
	<u>1,000,931</u>	<u>1,081,412</u>
	<u><u>1,100,931</u></u>	<u><u>1,181,412</u></u>

11. Financial instruments

	2017 £	2016 £
Financial assets		
Financial assets measured at fair value through profit or loss	96,556	68,161
	<u>96,556</u>	<u>68,161</u>

12. Deferred taxation

	2017 £
Charged to profit or loss	(107,131)
At end of year	<u><u>(107,131)</u></u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

12. Deferred taxation (continued)

The deferred taxation balance is made up as follows:

	2017 £	2016 £
Fair value reserve	(107,131)	-
	<u>(107,131)</u>	<u>-</u>

13. Reserves

Other reserves

This relates to Fair value of Investment properties.