

COMPANY NO. 6440260

A & A ASSET MANAGEMENT LIMITED

**FINANCIAL STATEMENTS
YEAR ENDED 5th APRIL 2011**

SATURDAY



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A & A ASSET MANAGEMENT LIMITED**DIRECTORS REPORT**

Directors: A. I. Sims
A. R. Wills

Secretary: A. R. Wills

Registered office: 1, Aerodrome Close, Loughborough, Leics, LE11 5RS

The directors present their report with the accounts for the year ended 5th April 2011.

PRINCIPAL ACTIVITIES

The company is engaged in investment property management and vehicle rentals.

DIRECTORS AND DIRECTORS INTERESTS

The directors of the company during the year were those shown above.

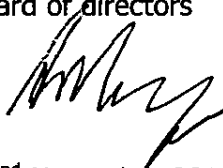
The directors interests in the ordinary £1 shares of the company at 5th April 2010 and 2011 were:

| | |
|-------------|---|
| A. I. Sims | 1 |
| A. R. Wills | 1 |

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Signed on behalf of the board of directors

A. R. Wills - Director



Approved by the board: 22nd November 2011

A & A ASSET MANAGEMENT LIMITED**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 5th APRIL 2011**

| | Note | 2011 £ | 2010 £ |
|---|------|-----------|-----------|
| TURNOVER | 1(e) | 67,428 | 25,414 |
| OPERATING COSTS | | 20,814 | 1,365 |
| OPERATING PROFIT | | 46,614 | 24,049 |
| Interest payable | | 3,153 | 4,230 |
| PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION | 2 | 43,461 | 19,819 |
| Tax on profit on ordinary activities | | 9,117 | 4,168 |
| RETAINED PROFIT FOR THE FINANCIAL YEAR | | 34,344 | 15,651 |
| RETAINED PROFIT BROUGHT FORWARD | | 16,771 | 1,120 |
| Profit for the year after taxation | | 34,344 | 15,651 |
| RETAINED PROFIT CARRIED FORWARD | | 51,115 | 16,771 |

CONTINUING OPERATIONS

The company included vehicle rentals in its operations during the year. None of the company's other activities was acquired or discontinued during the above two financial years.

TOTAL RECOGNISED GAINS AND LOSSES

| | | |
|--|--------|--------|
| Profit for the financial year after taxation | 34,344 | 15,651 |
| Unrealised surplus on revaluation of property (note 3) | 52,193 | - |
| Total recognised gains relating to the year | 86,537 | 15,651 |

A & A ASSET MANAGEMENT LIMITED
BALANCE SHEET – 5th APRIL 2011

| | Note | 2011 | 2010 |
|--|------|-----------------------|----------------------|
| | | £ | £ |
| FIXED ASSETS | | | |
| Tangible assets | 3 | 350,000 | 297,807 |
| CURRENT ASSETS | | | |
| Debtors | 4 | 11,736 | 286 |
| Cash at bank and in hand | | 1,959 | 597 |
| | | <u>13,695</u> | <u>883</u> |
| CREDITORS – amounts falling due within one year | | | |
| Bank loan instalments (secured) | 6 | 34,200 | 34,200 |
| Trade and other creditors | 5 | 26,644 | 22,546 |
| Corporation tax | | 9,125 | 1,020 |
| | | <u>69,969</u> | <u>57,766</u> |
| NET CURRENT LIABILITIES | | <u>(56,274)</u> | <u>(56,883)</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 293,726 | 240,924 |
| CREDITORS – amounts falling due after one year | | | |
| Bank loan instalments (secured) | 6 | 56,050 | 90,250 |
| Amount owed to associated undertaking | 10 | 131,216 | 130,751 |
| PROVISIONS FOR LIABILITIES AND CHARGES | | | |
| Deferred Taxation | | <u>3,150</u> | <u>3,150</u> |
| NET ASSETS | | <u>103,310</u> | <u>16,773</u> |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 7 | 2 | 2 |
| Profit and loss account | | 51,115 | 16,771 |
| Revaluation reserve | 8 | <u>52,193</u> | <u>-</u> |
| SHAREHOLDERS FUNDS | 9 | <u>103,310</u> | <u>16,773</u> |

For the financial year ended 5th April 2011 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 and no notice was deposited under section 476.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 and 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 year and of its profit or loss for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

These accounts have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Signed on behalf of the board of directors

A. R. Wills – Director

Approved by the board: 22nd November 2011



A & A ASSET MANAGEMENT SERVICES LIMITED

NOTES ON THE ACCOUNTS – 5th APRIL 2011

1. ACCOUNTING POLICIES

a) Basis of accounting

The accounts have been prepared under the historical cost convention, modified to include the investment property at its open market value.

b) Depreciation of tangible fixed assets

In accordance with SSAP 19, the investment property is not depreciated.

c) Deferred taxation

Provision is made in full for deferred tax, using the liability method, on timing differences arising from capital allowance claims for integral features within the building.

Deferred tax will not be provided on timing differences arising from the revaluation of the property provided that there is no commitment or intention to sell the property

d) Cash flow

The accounts do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 'Cash flow statements'.

e) Turnover

Turnover comprises rent receivable from the property under management and vehicle rental charges as follows:

| | 2011 £ | 2010 £ |
|-----------------|---------------|---------------|
| Rent receivable | 40,638 | 25,414 |
| Vehicle rentals | 26,790 | - |
| | <u>67,428</u> | <u>25,414</u> |

2. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION is stated after charging:

| | 2011 £ | 2010 £ |
|---------------------------------------|-----------|-----------|
| Directors emoluments | - | - |
| Depreciation of tangible fixed assets | - | - |
| | <u>-</u> | <u>-</u> |

A & A ASSET MANAGEMENT LIMITED**NOTES ON THE ACCOUNTS – 5th APRIL 2011****3. TANGIBLE FIXED ASSETS**

| | |
|-------------------------------|---|
| | Freehold investment property £ |
| Cost or valuation: | |
| At 6 th April 2010 | 297,807 |
| Revaluation adjustment | 52,193 |
| | <hr/> |
| At 5 th April 2011 | 350,000 |
| | <hr/> |

The valuation of the freehold investment property was undertaken by the directors and represents their assessment of the open market value of the property at 5th April 2011.

4. DEBTORS

| | | |
|---------------|-----------|-----------|
| | 2011 £ | 2010 £ |
| Trade debtors | 11,426 | - |
| Others | 310 | 286 |
| | <hr/> | <hr/> |
| | 11,736 | 286 |
| | <hr/> | <hr/> |

5. TRADE AND OTHER CREDITORS

| | | |
|---|--------|--------|
| Other taxation and social security | 2,515 | 596 |
| Accruals and deferred income – associated undertaking | 22,333 | 19,000 |
| - other | 1,297 | 2,451 |
| Directors current account | 499 | 499 |
| | <hr/> | <hr/> |
| | 26,644 | 22,546 |
| | <hr/> | <hr/> |

6. BANK BORROWINGS

The total balance outstanding on the secured bank loan at 5th April 2011 amounted to £90,250. The loan is repayable by monthly instalments over 5 years and is secured by a legal charge over the property, a standard form debenture and a corporate guarantee by A. & A. Electrical Services Ltd. Interest is charged at 2.5% above LIBOR

A & A ASSET MANAGEMENT LIMITED**NOTES ON THE ACCOUNTS – 5th APRIL 2011****7. CALLED UP SHARE CAPITAL**At 5th April 2010 and 2011

| | Authorised | Allotted, called up, issued & fully paid |
|-------------------|--------------|---|
| Shares of £1 each | <u>1,000</u> | <u>2</u> |

8. REVALUATION RESERVE

| | 2011 £ | 2011 £ |
|------------------------------------|---------------|-----------|
| At 6 th April 2010 | - | - |
| Surplus on revaluation of property | <u>52,193</u> | <u>-</u> |
| At 5 th April 2011 | <u>52,193</u> | <u>-</u> |

9. RECONCILIATION OF MOVEMENT ON SHAREHOLDERS FUNDS

| | | |
|--|----------------|---------------|
| Profit for the year after taxation | 34,344 | 15,651 |
| Other recognised gain relating to the year | 52,193 | - |
| Opening shareholders funds at 5 th April 2010 | <u>16,773</u> | <u>1,122</u> |
| Closing shareholders funds at 5 th April 2011 | <u>103,310</u> | <u>16,773</u> |

10. TRANSACTIONS WITH THE DIRECTORS/RELATED PARTIES

The company's rental income was derived from letting the investment property to A. & A. Electrical Services Ltd. Mr. Sims and Mr. Wills are the directors and shareholders of that company.

Vehicle rentals were charged to A & A Electrical Services Ltd, the directors and other related parties

In addition to the bank loan guarantee (see note 6), A & A Electrical Services Ltd has provided funds towards the purchase of the property and the balance owing to that company at 5th April 2011 was £131,216. No interest is being charged on this balance and it is considered to be a subordinated loan with deferred repayment terms. A & A Electrical Services Ltd has also paid rent in advance amounting to £22,333 which is included in deferred income.

A & A Asset Management Ltd also provides a corporate guarantee as security for the bank borrowings of A & A Electrical Services Ltd. The bank borrowings of that company at 5th April 2011 were £477,097 (2010 - £331,252).