

AA CONSTRUCTION (NORTH EAST) LIMITED
UNAUDITED ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2012

Company Registration Number 06533247



RSM Tenon Limited
Accountants and Business Advisers
Tenon House
Ferryboat Lane
Sunderland
SR5 3JN

AA CONSTRUCTION (NORTH EAST) LIMITED
ABBREVIATED ACCOUNTS
YEAR ENDED 31 MARCH 2012

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AA CONSTRUCTION (NORTH EAST) LIMITED*Registered Number 06533247***ABBREVIATED BALANCE SHEET****31 MARCH 2012**

| | Note | 2012 £ | £ | 2011 £ | £ |
|--|------|----------------|------------------|-----------------|------------------|
| Fixed assets | 2 | | | | |
| Intangible assets | | | 713,334 | | 756,667 |
| Tangible assets | | | 145,262 | | 198,368 |
| | | | <u>858,596</u> | | <u>955,035</u> |
| Current assets | | | | | |
| Stocks | | 631,623 | | 671,168 | |
| Debtors | | 14,816 | | 37,381 | |
| Cash at bank and in hand | | 4,827 | | - | |
| | | <u>651,266</u> | | <u>708,549</u> | |
| Creditors: Amounts falling due within one year | | <u>(5,060)</u> | | <u>(94,447)</u> | |
| Net current assets | | | 646,206 | | 614,102 |
| Total assets less current liabilities | | | <u>1,504,802</u> | | <u>1,569,137</u> |
| Creditors: Amounts falling due after more than one year | | | (1,568,843) | | (1,536,477) |
| Provisions for liabilities | | | (14,176) | | (15,737) |
| | | | <u>(78,217)</u> | | <u>16,923</u> |
| Capital and reserves | | | | | |
| Called-up share capital | 4 | | 1 | | 1 |
| Profit and loss account | | | (78,218) | | 16,922 |
| Shareholders' funds | | | <u>(78,217)</u> | | <u>16,923</u> |

The Balance sheet continues on the following page
The notes on pages 3 to 5 form part of these abbreviated accounts

AA CONSTRUCTION (NORTH EAST) LIMITED

Registered Number 06533247

ABBREVIATED BALANCE SHEET *(continued)*

31 MARCH 2012

The director is satisfied that the company is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477, and that no member or members have requested an audit pursuant to section 476 of the Act

The director acknowledges his responsibility for

- (i) ensuring that the company keeps adequate accounting records which comply with section 386 of the Act, and
- (ii) preparing financial statements 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 section 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company

These abbreviated accounts have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

These abbreviated accounts were approved and signed by the director and authorised for issue on 6 July 2012



Mr A Attarchian
Director

The notes on pages 3 to 5 form part of these abbreviated accounts

AA CONSTRUCTION (NORTH EAST) LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 MARCH 2012

1 Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements have been prepared on a going concern basis due to the continued support of the director

Cash flow statement

The company has adopted the Financial Reporting Standard For Smaller Entities (effective April 2008) and is consequently exempt from the requirement to include a cash flow statement in the financial statements

Turnover

The turnover shown in the profit and loss account represents the value of all services delivered during the year, at selling price exclusive of Value Added Tax. Sales are recognised at the point at which the company has fulfilled its contractual obligations to the customer

Goodwill

Goodwill arising on the incorporation of the utility construction trade of Mr A Attarchian's sole trader business into AA Construction (North East) Limited has been capitalised as an asset on the Balance Sheet. Goodwill is written off on a straight line basis over its useful economic life of 20 years and is reviewed for impairment when necessary if circumstances emerge that indicate that the carrying value may not be recoverable

Amortisation

Amortisation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the estimated useful economic life of that asset as follows

Goodwill - 20 years straight line

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Cost represents purchase price together with any incidental costs of acquisition

Depreciation

Depreciation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the useful economic life of that asset as follows

| | |
|---------------------|-------------------------------|
| Leasehold Property | - over 99 years straight line |
| Plant & Machinery | - 15% reducing balance |
| Fixtures & Fittings | - 15% reducing balance |
| Motor Vehicles | - 25% reducing balance |

AA CONSTRUCTION (NORTH EAST) LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 MARCH 2012

1. Accounting policies *(continued)*

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

Cost is based on a first in first out basis

Net realisable value is based on estimated selling price

Work in progress

Work in progress is valued on the basis of direct material and labour costs plus attributable overheads based on a normal level of activity

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more tax, or a right to pay less tax, or a right to receive repayments of tax.

Deferred tax assets are recognised only to the extent that the directors consider it more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax assets and liabilities recognised have not been discounted.

Deferred tax is measured on a non-discounted basis at the average tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Financial instruments

Financial instruments are classified and accounted for as financial assets, financial liabilities or equity instruments, according to the substance of the contractual arrangement.

Financial instruments which are assets are stated at cost less any provision for impairment. Financial liabilities are stated at principal capital amounts outstanding at the period end. Issue costs relating to financial liabilities are deducted from the outstanding balance and are amortised over the period to the due date for repayment of the financial liability.

An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. A financial liability is any contractual arrangement for an entity to deliver cash to the holder of the associated financial instrument.

AA CONSTRUCTION (NORTH EAST) LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 MARCH 2012

2. Fixed assets

| | Intangible Assets £ | Tangible Assets £ | Total £ |
|-----------------------|------------------------------------|----------------------------------|--------------------|
| Cost | | | |
| At 1 April 2011 | 1,200,000 | 311,034 | 1,511,034 |
| Additions | — | 18,000 | 18,000 |
| Disposals | — | (69,635) | (69,635) |
| At 31 March 2012 | <u>1,200,000</u> | <u>259,399</u> | <u>1,459,399</u> |
| Depreciation | | | |
| At 1 April 2011 | 443,333 | 112,666 | 555,999 |
| Charge for year | 43,333 | 28,803 | 72,136 |
| On disposals | — | (27,332) | (27,332) |
| At 31 March 2012 | <u>486,666</u> | <u>114,137</u> | <u>600,803</u> |
| Net book value | | | |
| At 31 March 2012 | <u>713,334</u> | <u>145,262</u> | <u>858,596</u> |
| At 31 March 2011 | <u>756,667</u> | <u>198,368</u> | <u>955,035</u> |

3 Related party transactions

During the year Mr A Attarchian, a director of the company, maintained a current account with the company through which advances and repayments were made. Included in creditors at the balance sheet date was a balance of £1,340,146 (2011 - £1,275,780) due to Mr A Attarchian. This account is unsecured, interest free and there are no fixed repayment terms.

4. Share capital

Allotted, called up and fully paid:

| | 2012 | | 2011 |
|------------------------------|-------------|----------|-------------|
| | No | £ | No |
| 1 Ordinary shares of £1 each | <u>1</u> | <u>1</u> | <u>1</u> |