

**COMPANY REGISTRATION NUMBER 06533247**

**AA CONSTRUCTION (NORTH EAST) LIMITED**

**UNAUDITED ABBREVIATED ACCOUNTS**

**31 MARCH 2016**



**DEBERE LIMITED**

Accountants and Tax Advisors  
Swallow House  
Parsons Road  
Washington  
Tyne and Wear  
NE37 1EZ

**AA CONSTRUCTION (NORTH EAST) LIMITED**

**ABBREVIATED ACCOUNTS**

**YEAR ENDED 31 MARCH 2016**

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**AA CONSTRUCTION (NORTH EAST) LIMITED**

**ABBREVIATED BALANCE SHEET**

**31 MARCH 2016**

	Note	2016 £	2015 £
<b>FIXED ASSETS</b>	<b>2</b>		
Intangible assets		<b>540,002</b>	583,335
Tangible assets		<b>113,172</b>	108,797
		<b>653,174</b>	692,132
<b>CURRENT ASSETS</b>			
Stocks		<b>1,368,964</b>	1,492,228
Debtors		<b>29,918</b>	50,560
Cash at bank and in hand		<b>9,732</b>	-
		<b>1,408,614</b>	1,542,788
<b>CREDITORS: Amounts falling due within one year</b>	<b>3</b>	<b>(470,985)</b>	(320,225)
<b>NET CURRENT ASSETS</b>		<b>937,629</b>	1,222,563
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>1,590,803</b>	1,914,695
<b>CREDITORS: Amounts falling due after more than one year</b>	<b>4</b>	<b>(1,998,199)</b>	(2,341,268)
		<b>(407,396)</b>	(426,573)
<b>CAPITAL AND RESERVES</b>			
Called up equity share capital	<b>5</b>	<b>1</b>	1
Profit and loss account		<b>(407,397)</b>	(426,574)
<b>DEFICIT</b>		<b>(407,396)</b>	(426,573)

The Balance sheet continues on the following page.  
The notes on pages 3 to 6 form part of these abbreviated accounts.

**AA CONSTRUCTION (NORTH EAST) LIMITED**

**ABBREVIATED BALANCE SHEET *(continued)***

**31 MARCH 2016**

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For the year ended 31 March 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These abbreviated accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies regime.

These abbreviated accounts were approved and signed by the director and authorised for issue on 4 November 2016.

A handwritten signature in black ink, appearing to be 'A. Attarchian', with a large loop and a trailing flourish.

Mr A Attarchian  
Director

Company Registration Number: 06533247

The notes on pages 3 to 6 form part of these abbreviated accounts.

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# AA CONSTRUCTION (NORTH EAST) LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 MARCH 2016

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### 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 January 2015).

#### Going concern

After reviewing financial and other information available, the director considers that, with his continued support, the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

#### Cash flow statement

The company has adopted the Financial Reporting Standard For Smaller Entities (effective January 2015) 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 houses sold during the year at their selling price. 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, less its estimated residual value, over the useful economic life of that asset as follows:

Goodwill - 20 years straight line

#### Fixed assets

All fixed assets are initially recorded at cost.

#### Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, 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 2016**

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**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 costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

**Hire purchase agreements**

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

**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, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the director considers that it is 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 is measured on an undiscounted basis at the 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.

**AA CONSTRUCTION (NORTH EAST) LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS**

**YEAR ENDED 31 MARCH 2016**

**1. Accounting policies (continued)**

**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.

**2. Fixed assets**

	<b>Intangible Assets £</b>	<b>Tangible Assets £</b>	<b>Total £</b>
<b>COST</b>			
At 1 April 2015	1,200,000	234,523	1,434,523
Additions	—	32,000	32,000
Disposals	—	(36,926)	(36,926)
<b>At 31 March 2016</b>	<u>1,200,000</u>	<u>229,597</u>	<u>1,429,597</u>
<b>DEPRECIATION</b>			
At 1 April 2015	616,665	125,726	742,391
Charge for year	43,333	18,164	61,497
On disposals	—	(27,465)	(27,465)
<b>At 31 March 2016</b>	<u>659,998</u>	<u>116,425</u>	<u>776,423</u>
<b>NET BOOK VALUE</b>			
<b>At 31 March 2016</b>	<u>540,002</u>	<u>113,172</u>	<u>653,174</u>
At 31 March 2015	<u>583,335</u>	<u>108,797</u>	<u>692,132</u>

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

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	<b>2016 £</b>	<b>2015 £</b>
Hire purchase agreements	<u>4,485</u>	<u>—</u>

**AA CONSTRUCTION (NORTH EAST) LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS**

**YEAR ENDED 31 MARCH 2016**

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

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Other creditors including taxation and social security	<b>600,000</b>	<b>600,000</b>
Hire purchase agreements	<b>16,215</b>	<b>-</b>
	<b><u>616,215</u></b>	<b><u>600,000</u></b>

**5. Share capital**

**Allotted, called up and fully paid:**

	<b>2016</b>		<b>2015</b>	
	<b>No.</b>	<b>£</b>	<b>No.</b>	<b>£</b>
Ordinary shares of £1 each	<b><u>1</u></b>	<b><u>1</u></b>	<b><u>1</u></b>	<b><u>1</u></b>

**6. Ultimate controlling party**

The company was under the control of Mr A Attarchian throughout the current and previous years. Mr A Attarchian is the sole director and shareholder of the company.