

Company Registration No. SC315213 (Scotland)

A & A (INVERNESS) LTD
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2019
PAGES FOR FILING WITH REGISTRAR

A & A (INVERNESS) LTD

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A & A (INVERNESS) LTD

STATEMENT OF FINANCIAL POSITION

AS AT 31 MAY 2019

		2019		2018	
	Notes	£	£	£	£
Fixed assets					
Goodwill	5		49,805		74,907
Property, plant and equipment	6		-		2,320
			<u>49,805</u>		<u>77,227</u>
Current assets					
Trade and other receivables	7	-		4,072	
Cash at bank and in hand		52,525		57,487	
		<u>52,525</u>		<u>61,559</u>	
Current liabilities	8	(153,666)		(139,830)	
Net current liabilities			(101,141)		(78,271)
Total assets less current liabilities			(51,336)		(1,044)
Non-current liabilities	9		(55,321)		(89,792)
Net liabilities			<u>(106,657)</u>		<u>(90,836)</u>
Equity					
Called up share capital	10		100		100
Retained earnings			(106,757)		(90,936)
Total equity			<u>(106,657)</u>		<u>(90,836)</u>

The director of the company has elected not to include a copy of the income statement or related notes within the financial statements.

For the financial year ended 31 May 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and signed by the director and authorised for issue on 27 February 2020

Mr Amjed Rasul
Director

Company Registration No. SC315213

A & A (INVERNESS) LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2019

1 Company Information

A & A (Inverness) Ltd is a private company limited by shares incorporated in Scotland. The registered office is 4 North Guildry Street, Elgin, Moray, IV30 1JR.

2 Compliance with accounting standards

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in pounds sterling, which is the functional currency of the company.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

3 Accounting policies

The balance sheet shows that liabilities exceed assets by £111,845 including a liability to the director of the company of £39,900. The director of the company has confirmed that he will maintain financial support for the foreseeable future and is taking further steps to enable the company to continue normal trading operations. The financial statements are therefore drawn up on a going concern basis.

3.1 Revenue

Turnover consists of the sales value, excluding VAT, of work in the period under contracts to provide services to third parties, together with related expenses. It includes the relevant proportion of contract value for performance up to the period end. Sales of services are recognised when the company has provided the service to the customer and collectability of the related receivable is reasonably assured.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

3.2 Intangible fixed assets - goodwill

Acquired goodwill is written off in equal annual installments over its estimated useful economic life of five years.

3.3 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably.

A & A (INVERNESS) LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2019

3 Accounting policies

(Continued)

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Franchise acquisition fees	20% straight line
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Franchise acquisition fees have been amortised in full.

3.4 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Office equipment	33% and 25% straight line
Fixtures, fittings and equipment	25% straight line

3.5 Basic financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

3.6 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or non-current assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

3.7 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

3.8 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

4 Employees

The average monthly number of persons (including directors) employed by the company during the year was 5 (2018 - 8).

A & A (INVERNESS) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2019

5 Intangible fixed assets

	Goodwill £	Other £	Total £
Cost			
At 1 June 2018 and 31 May 2019	150,511	12,000	162,511
Amortisation and impairment			
At 1 June 2018	75,604	12,000	87,604
Amortisation charged for the year	25,102	-	25,102
At 31 May 2019	100,706	12,000	112,706
Carrying amount			
At 31 May 2019	49,805	-	49,805
At 31 May 2018	74,907	-	74,907

6 Property, plant and equipment

	Plant and machinery etc £
Cost	
At 1 June 2018 and 31 May 2019	10,492
Depreciation and impairment	
At 1 June 2018	8,172
Depreciation charged in the year	2,320
At 31 May 2019	10,492
Carrying amount	
At 31 May 2019	-
At 31 May 2018	2,320

7 Trade and other receivables

	2019 £	2018 £
Amounts falling due within one year:		
Corporation tax recoverable	-	4,072

A & A (INVERNESS) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2019

8 Current liabilities

	2019 £	2018 £
Bank loans and overdrafts	7,193	-
Taxation and social security	14,663	7,424
Other payables	131,810	132,406
	<u>153,666</u>	<u>139,830</u>

Included within current liabilities are amounts totalling £7,193 (2018 - £nil) which are secured by a floating charge and loans of £34,471, (2018 £31,124) secured by personal guarantees from the director.

9 Non-current liabilities

	2019 £	2018 £
Other payables	55,321	89,792
	<u>55,321</u>	<u>89,792</u>

Other payables comprise loan secured by personal guarantees from the director.

10 Called up share capital

	2019 £	2018 £
Ordinary share capital Issued and fully paid 100 Ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>

11 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2019 £	2018 £
	2,065	11,019
	<u>2,065</u>	<u>11,019</u>

12 Directors' transactions

At 31 May 2018 the company owed the director £40,355. During the year the company met expenses totalling £455 on behalf of the director. At 31 May 2019 the company owed the director £39,900. This loan is interest free and has no fixed terms of repayment.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.