

Company Registration No. SC315213 (Scotland)

A & A (INVERNESS) LTD
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2020
PAGES FOR FILING WITH REGISTRAR

A & A (INVERNESS) LTD

CONTENTS

	Page
Statement of financial position	1
Notes to the financial statements	2 - 6

A & A (INVERNESS) LTD

STATEMENT OF FINANCIAL POSITION

AS AT 31 MAY 2020

		2020		2019	
	Notes	£	£	£	£
Fixed assets					
Goodwill	6		24,703		49,805
Current assets					
Cash at bank and in hand		32,087		52,525	
Current liabilities	8	(132,025)		(153,666)	
Net current liabilities			(99,938)		(101,141)
Total assets less current liabilities			(75,235)		(51,336)
Non-current liabilities	9		(22,829)		(55,321)
Net liabilities			(98,064)		(106,657)
Equity					
Called up share capital	10		100		100
Retained earnings			(98,164)		(106,757)
Total equity			(98,064)		(106,657)

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 2020 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 29 June 2021

Mr Amjed Rasul

Director

Company Registration No. SC315213

A & A (INVERNESS) LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2020

1 Company Information

A & A (Inverness) Ltd is a private company limited by shares incorporated in Scotland. The registered office is .

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 sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

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 £98,064 including a liability to the director of the company of £31,738. 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; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

A & A (INVERNESS) LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2020

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 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

A & A (INVERNESS) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2020

3 Accounting policies (Continued)

3.9 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 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the director is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2020 Number	2019 Number
Total	4	5

6 Intangible fixed assets

	Goodwill £	Other £	Total £
Cost			
At 1 June 2019 and 31 May 2020	150,511	12,000	162,511
Amortisation and impairment			
At 1 June 2019	100,706	12,000	112,706
Amortisation charged for the year	25,102	-	25,102
At 31 May 2020	125,808	12,000	137,808
Carrying amount			
At 31 May 2020	24,703	-	24,703
At 31 May 2019	49,805	-	49,805

A & A (INVERNESS) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2020

7 Property, plant and equipment

	Plant and machinery etc
	£
Cost	
At 1 June 2019 and 31 May 2020	10,492
Depreciation and impairment	
At 1 June 2019 and 31 May 2020	10,492
Carrying amount	
At 31 May 2020	-
At 31 May 2019	-

8 Current liabilities

	2020 £	2019 £
Bank loans and overdrafts	6,163	7,193
Trade payables	1,205	-
Taxation and social security	19,547	14,663
Other payables	105,110	131,810
	132,025	153,666

Included within current liabilities are amounts totalling £6,164 (2019 - £7,193) which are secured by a floating charge and loans of £38,183, (2019 - £34,471) secured by personal guarantees from the director.

9 Non-current liabilities

	2020 £	2019 £
Other payables	22,829	55,321

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

10 Called up share capital

	2020 Number	2019 Number	2020 £	2019 £
Ordinary share capital				
Issued and fully paid				
Ordinary shares of £1 each	100	100	100	100

A & A (INVERNESS) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2020

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:

2020	2019
£	£
-	2,065
<u> </u>	<u> </u>

12 Directors' transactions

At 31 May 2019 the company owed the director £39,900. During the year the company met expenses totalling £8,162 on behalf of the director. At 31 May 2020 the company owed the director £31,738. 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.