
A & J ENTERPRISE SOLUTIONS LTD

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 30 NOVEMBER 2020

BALANCE SHEET
AS AT 30 NOVEMBER 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	4	634,997	635,567
Current assets			
Stocks		3,500	6,500
Debtors: amounts falling due within one year	5	95,230	100,706
Bank & cash balances		122,593	104,524
		<u>221,323</u>	<u>211,730</u>
Current liabilities			
Creditors: amounts falling due within one year	6	(175,879)	(199,923)
Net current assets		<u>45,444</u>	<u>11,807</u>
Total assets less current liabilities		<u>680,441</u>	<u>647,374</u>
Creditors: amounts falling due after more than one year	7	(431,553)	(387,656)
Net assets		<u><u>248,888</u></u>	<u><u>259,718</u></u>
Capital and reserves			
Called up share capital	9	100	100
Profit and loss account	10	248,788	259,618
		<u><u>248,888</u></u>	<u><u>259,718</u></u>

BALANCE SHEET (CONTINUED)
AS AT 30 NOVEMBER 2020

The directors consider that the company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

A Arnott
Director

Date: 30 August 2021

The notes on pages 3 to 10 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2020**

1. General information

A & J Enterprise Solutions Ltd is a private company (limited by shares) incorporated in Scotland. Company number SC382429. The registered office address is 53 Kilpatrick Drive, Erskine, Renfrewshire, PA8 7AF.

The principal activity was the operation of a children's play centre and related activities.

The functional currency of the company is Pounds Sterling as this is the currency of the primary economic environment in which the company operates. Monetary amounts in these financial statements are rounded to the nearest £.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

The directors have carefully considered the impact of COVID-19 on the business. During this time, the directors have utilised the Coronavirus Job Retention Scheme and have taken steps in other areas, such as applying for grant funding, in order to protect the cashflow during the downturn in business. The directors are confident that the measures they have put in place will enable the business to realise its assets and discharge its liabilities as they fall due.

In the directors' opinion these financial statements should be prepared on the going concern basis.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2020**

2. Accounting policies (continued)

2.3 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 Government grants

The UK government has offered a range of financial support packages to help companies, including government backed financing arrangements, furlough schemes, deferment of VAT payments and, for some sectors, business rates holidays. Of the offered schemes, the company used the furlough scheme and deferral of VAT payments. The income from the furlough scheme has been recognised within 'Other operating income'. They are recognised when the entity has reasonable assurance that they will comply with the conditions attaching the grant, and that the grant will be received.

2.5 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2020**

2. Accounting policies (continued)

2.6 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the company in independently administered funds.

2.7 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2020**

2. Accounting policies (continued)

2.8 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Heritable property	-	See below
Plant & machinery	-	15%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

Heritable property is depreciated by spreading the difference between residual value and cost over the useful life of the asset.

2.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowances for goods past their useable date.

2.10 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.11 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.12 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2020**

2. Accounting policies (continued)

2.13 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

2.14 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Employees

The average monthly number of employees, including directors, during the year was 33 (2019 - 34).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2020

4. Tangible fixed assets

	Heritable property £	Plant & machinery £	Total £
Cost			
At 1 December 2019 and at 30 November 2020	632,371	354,520	986,891
Depreciation			
At 1 December 2019	-	351,324	351,324
Charge for the year	-	570	570
At 30 November 2020	-	351,894	351,894
Net book value			
At 30 November 2020	632,371	2,626	634,997
At 30 November 2019	632,371	3,196	635,567

5. Debtors

	2020 £	2019 £
Amounts owed by group undertakings (note 12)	88,581	-
Other debtors	-	92,471
Deferred taxation (note 8)	6,649	8,235
	<u>95,230</u>	<u>100,706</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2020**

6. Creditors: Amounts falling due within one year

	2020	2019
	£	£
Bank loans	30,344	30,344
Trade creditors	69,209	80,130
Accruals	3,000	3,000
Amounts owed to related parties (note 12)	28,419	19,685
Directors' loan account (note 11)	-	1,570
Corporation tax	8,177	22,044
Other taxation and social security	36,730	43,150
	<u>175,879</u>	<u>199,923</u>

7. Creditors: Amounts falling due after more than one year

	2020	2019
	£	£
Bank loans	<u>431,553</u>	<u>387,656</u>

Secured loans

The bank loan is secured over the heritable property.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2020**

8. Deferred taxation

	2020 £	2019 £
At beginning of year	8,235	8,235
Charged to profit or loss	(1,586)	-
At end of year	<u>6,649</u>	<u>8,235</u>

The deferred tax asset is made up as follows:

	2020 £	2019 £
Fixed asset timing differences	<u>6,649</u>	<u>8,235</u>

9. Share capital

	2020 £	2019 £
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

10. Reserves**Profit & loss account**

This reserve represents cumulative profits and losses.

11. Transactions with directors

Included within debtors at the year end is an amount of £Nil (2019 - £81,622) due from A Arnott, a director of the company. This loan is unsecured, interest free and has no fixed repayment terms.

12. Related party transactions

Included within creditors at the year end is an amount of £28,417 (2019 - £19,685) due to Kilpatrick Leisure Limited, a company in which both directors have an interest. This amount is unsecured, interest free and has no fixed terms of repayment.

Included within debtors at the year end is an amount of £88,581 (2019 - £Nil) due from Kilpatricks Holding Limited, a company in which both directors have an interest. This amount is unsecured, 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.