

COMPANY REGISTRATION NUMBER: 02362169

The Akabusi Company Limited
Filleted Unaudited Financial Statements
31st May 2019

GRIFFITHS AND PEGG LIMITED

Chartered Accountants
3 Hagley Court South
Waterfront East
Level Street
Brierley Hill
West Midlands
DY5 1XE



The Akabusi Company Limited

Statement of Financial Position

31st May 2019

	Note	2019 £	2018 £
Fixed assets			
Intangible assets	4	2,370	4,266
Tangible assets	5	<u>683,004</u>	<u>683,004</u>
		685,374	687,270
Current assets			
Debtors	6	649	380
Cash at bank and in hand		<u>28,922</u>	<u>68,510</u>
		29,571	68,890
Creditors: amounts falling due within one year	7	<u>(286,986)</u>	<u>(337,747)</u>
Net current liabilities		257,415	268,857
Total assets less current liabilities		427,959	418,413
Creditors: amounts falling due after more than one year	8	<u>(434,890)</u>	<u>(434,890)</u>
Net (liabilities)		<u>(6,931)</u>	<u>(16,477)</u>
Capital and reserves			
Called up share capital		20	20
Profit and loss account		<u>(6,951)</u>	<u>(16,497)</u>
Shareholder (deficit)		<u>(6,931)</u>	<u>(16,477)</u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

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

Director's responsibilities:

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

The statement of financial position
continues on the following page.

The notes on pages 3 to 6 form part of these financial statements.

The Akabusi Company Limited

Statement of Financial Position *(continued)*

31st May 2019

These financial statements were approved by the board of directors and authorised for issue on 22nd October 2019, and are signed on behalf of the board by:



Mr K Akabusi
Director

Company registration number: 02362169

The Akabusi Company Limited

Notes to the Financial Statements

Year ended 31st May 2019

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is The Lawns, 4 Stockgrove Park House, Heath and Reach, Leighton Buzzard, Bedfordshire, LU7 0BB.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

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

Disclosure exemptions

The directors have taken advantage of the exemption in FRS 102 from including a cash flow statement in the financial statements on the grounds that the company is a small entity.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for services rendered, stated net of discounts and of Value Added Tax.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

The Akabusi Company Limited

Notes to the Financial Statements *(continued)*

Year ended 31st May 2019

3. Accounting policies *(continued)*

Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

Intangible assets acquired as part of a business combination are recorded at the fair value at the acquisition date.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Franchise - 20% straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

The Akabusi Company Limited

Notes to the Financial Statements *(continued)*

Year ended 31st May 2019

3. Accounting policies *(continued)*

Impairment of fixed assets *(continued)*

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

4. Intangible assets

	Other intangible assets £
Cost	
At 1st June 2018 and 31st May 2019	<u>9,480</u>
Amortisation	
At 1st June 2018	5,214
Charge for the year	<u>1,896</u>
At 31st May 2019	<u>7,110</u>
Carrying amount	
At 31st May 2019	<u>2,370</u>
At 31st May 2018	<u>4,266</u>

5. Tangible assets

	Freehold property £
Cost	
At 1st June 2018 and 31st May 2019	<u>683,004</u>
Depreciation	
At 1st June 2018 and 31st May 2019	<u>-</u>
Carrying amount	
At 31st May 2019	<u>683,004</u>
At 31st May 2018	<u>683,004</u>

6. Debtors

	2019 £	2018 £
Other debtors	<u>649</u>	<u>380</u>

The Akabusi Company Limited

Notes to the Financial Statements *(continued)*

Year ended 31st May 2019

7. Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	–	602
Amounts owed to related companies	171,000	55,000
Corporation tax	37	–
Rent deposits	5,680	5,630
Other creditors	110,269	276,515
	<u>286,986</u>	<u>337,747</u>

The related company is In The Arena Limited

8. Creditors: amounts falling due after more than one year

	2019 £	2018 £
Bank loans and overdrafts	<u>434,890</u>	<u>434,890</u>

The bank facilities are served by a charge against the properties owned by the company.

9. Director's advances, credits and guarantees

During the year the director entered into the following advances and credits with the company:

	2019			
	Balance brought forward £	Advances/ (credits) to the director £	Amounts repaid £	Balance outstanding £
Mr K Akabusi	<u>(272,344)</u>	<u>–</u>	<u>164,539</u>	<u>(107,805)</u>
	2018			
	Balance brought forward £	Advances/ (credits) to the director £	Amounts repaid £	Balance outstanding £
Mr K Akabusi	<u>(204,339)</u>	<u>(79,671)</u>	<u>11,666</u>	<u>(272,344)</u>

10. Related party transactions

The company was under the control of Mr K Akabusi throughout the current and previous year. Mr K Akabusi owns the entire issued share capital of the company.

No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8.