

CO. NO: 05054052

## **THE AVIARY (TRADING) LIMITED**

**(formerly The Aviary (Leicester) Limited)**

Abbreviated Accounts  
For the year ended 31 December 2014

# **Sobell Rhodes LLP**

CHARTERED ACCOUNTANTS AND STATUTORY AUDITOR

Monument House  
215 Marsh Road  
Pinner  
Middlesex HA5 5NE

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TUESDAY



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22/12/2015

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**The Aviary (Leicester) Limited**  
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## **Independent Auditor's Report to The Aviary (Leicester) Limited**

### **Under section 449 of the Companies Act 2006**

We have examined the abbreviated accounts set out on pages 3 to 5 together with the financial statements of The Aviary (Leicester) Limited for the year ended 31 December 2014 prepared under section 396 of the Companies Act 2006.

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of directors and auditors**

The director is responsible for preparing the abbreviated accounts in accordance with section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

#### **Basis of opinion**

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared.

#### **Opinion**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 444(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.

#### **Other information**

On ~~22.12.2015~~ <sup>22.12.2015</sup> we reported as auditor to the members of the company on the financial statements prepared under section 396 of the companies Act 2006 and our report included the following paragraph:

#### **Emphasis of matter**

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosures made in note 1 to the financial statements concerning the company's ability to continue as a going concern. The company incurred significant losses mainly due to the recognition of the VAT liability on certain transactions which the director considers to be outside the scope of VAT. The company incurred a net loss of £274,173 during the year ended 31 December 2014 and, at that date, the company's current liabilities exceeded its total assets by £340,817 and it had net current liabilities of £390,592. These conditions, along with the other matters explained in note 1 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statement does not include adjustments that would result if the company was unable to continue as a going concern.

**Independent Auditor's Report to The Aviary (Leicester) Limited**  
**Under section 449 of the Companies Act 2006**

..... *continued*



.....  
SELWYN ARNOLD (Senior Statutory Auditor)  
For and on behalf of Sobell Rhodes LLP, Statutory Auditor

Monument House  
215 Marsh Road  
Pinner  
Middlesex  
HA5 5NE

Date: 27/12/15

**The Aviary (Leicester) Limited**  
**(Registration number: 05054052)**  
**Abbreviated Balance Sheet at 31 December 2014**

	Note	2014 £	2013 £
<b>Fixed assets</b>			
Tangible fixed assets	2	<u>49,775</u>	<u>68,441</u>
<b>Current assets</b>			
Stocks		9,324	9,339
Debtors		22,873	24,948
Cash at bank and in hand		<u>122,879</u>	<u>79,361</u>
		155,076	113,648
Creditors: Amounts falling due within one year		<u>(545,668)</u>	<u>(248,733)</u>
Net current liabilities		<u>(390,592)</u>	<u>(135,085)</u>
Total assets less current liabilities		(340,817)	(66,644)
Provisions for liabilities		<u>(9,985)</u>	<u>(9,985)</u>
Net liabilities		<u><u>(350,802)</u></u>	<u><u>(76,629)</u></u>
<b>Capital and reserves</b>			
Called up share capital	3	100	100
Profit and loss account		<u>(350,902)</u>	<u>(76,729)</u>
Shareholders' deficit		<u><u>(350,802)</u></u>	<u><u>(76,629)</u></u>

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

Approved by the director on 22/12/15



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S Warr  
Director

## **The Aviary (Leicester) Limited**

### **Notes to the Abbreviated Accounts for the Year Ended 31 December 2014**

#### **1 Accounting policies**

##### **Basis of preparation**

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (Effective April 2008).

##### **Going concern**

The company has recognised a VAT liability amounting to £174,886 which is in respect of assessments raised by HM Revenue & Customs. The assessments relate to transactions which the director considers are outside the scope of VAT.

The group have challenged the assessments and the matter is expected to subject to review through the judicial process. The director is of the opinion this matter will not be resolved within the next 12 months.

In addition the director has considered the company forecasts of the business until 31 December 2016. Based on these forecasts, the director has reasonable expectation that the company will have access to adequate resources to continue in existence for the foreseeable future. Accordingly, the company continues to adopt the going concern basis in preparing the financial statements.

##### **Turnover**

Turnover represents amounts chargeable, net of value added tax, in respect of the sale of goods and services to customers.

##### **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:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Fixtures and fittings	15% straight line

##### **Stock**

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

##### **Deferred tax**

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as required by the FRSSE.

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date.

##### **Hire purchase and leasing**

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

## The Aviary (Leicester) Limited

### Notes to the Abbreviated Accounts for the Year Ended 31 December 2014

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#### Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

#### 2 Fixed assets

	Tangible assets £	Total £
<b>Cost</b>		
At 1 January 2014	461,285	461,285
At 31 December 2014	461,285	461,285
<b>Depreciation</b>		
At 1 January 2014	392,844	392,844
Charge for the year	18,666	18,666
At 31 December 2014	411,510	411,510
<b>Net book value</b>		
At 31 December 2014	49,775	49,775
At 31 December 2013	68,441	68,441

#### 3 Share capital

##### Allotted, called up and fully paid shares

	2014		2013	
	No.	£	No.	£
Ordinary shares of £1 each	100	100	100	100

#### 4 Control

The ultimate parent undertaking is Koru Trading Limited, a company registered in England & Wales.