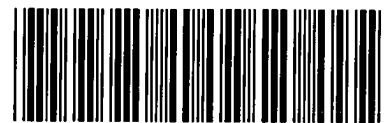


Avolites Limited
Filleted Financial Statements
30 April 2020

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Avolites Limited
Statement of Financial Position
30 April 2020

		2020	2019 (restated)
	Note	£	£
Fixed assets			
Tangible assets	5	1,734,078	1,646,074
Investments	6	768,046	1
		<u>2,502,124</u>	<u>1,646,075</u>
Current assets			
Stocks		2,361,897	1,816,589
Debtors	7	1,143,805	1,747,723
Cash at bank and in hand		860,703	1,457,155
		<u>4,366,405</u>	<u>5,021,467</u>
Creditors: amounts falling due within one year	8	(825,535)	(665,468)
Net current assets		<u>3,540,870</u>	<u>4,355,999</u>
Total assets less current liabilities		6,042,994	6,002,074
Creditors: amounts falling due after more than one year	9	(21,008)	(120,649)
Net assets		<u>6,021,986</u>	<u>5,881,425</u>
Capital and reserves			
Called up share capital		39,027	39,027
Share premium account		42,500	42,500
Capital redemption reserve		6,000	6,000
Profit and loss account		5,934,459	5,793,898
Shareholders funds		<u>6,021,986</u>	<u>5,881,425</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 Section 1A of 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.

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 statement of financial position
continues on the following page.
The notes on pages 3 to 9 form part of these financial statements.

Avolites Limited

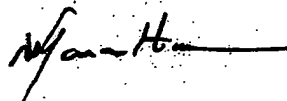
Statement of Financial Position *(continued)*

30 April 2020

These financial statements were approved by the board of directors and authorised for issue on 15 April 2021, and are signed on behalf of the board by:



P Wong
Managing Director



M Varatharajan
Director

Company registration number: 2578003

The notes on pages 3 to 9 form part of these financial statements.

Avolites Limited
Notes to the Financial Statements
Year ended 30 April 2020

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 184 Park Avenue, London, NW1 7XL.

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 entity satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

- (a) Disclosures in respect of each class of share capital have not been presented.
- (b) No cash flow statement has been presented for the company.
- (c) Disclosures in respect of share-based payments have not been presented.
- (d) No disclosure has been given for the aggregate remuneration of key management personnel.

Consolidation

The company has taken advantage of the option not to prepare consolidated financial statements contained in Section 398 of the Companies Act 2006 on the basis that the company and its subsidiary undertakings comprise a small group.

Judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Revenue recognition

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

Avolites Limited

Notes to the Financial Statements *(continued)*

Year ended 30 April 2020

3. Accounting policies *(continued)*

Revenue recognition *(continued)*

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer, usually on despatch of the goods, the amount of revenue can be measured reliably, it is probable that the associated economic benefits will flow to the entity, and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

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.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

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.

Avolites Limited

Notes to the Financial Statements *(continued)*

Year ended 30 April 2020

3. Accounting policies *(continued)*

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold Property	- 2% straight line
Fixtures and Fittings	- 50% straight line
Motor Vehicles	- 25% straight line
Computer Equipment	- 50% straight line
Hire Stock	- 25% straight line

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

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.

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.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Avolites Limited

Notes to the Financial Statements *(continued)*

Year ended 30 April 2020

3. Accounting policies *(continued)*

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

4. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to:

	2020 No.	2019 No.
Directors	6	6
Number of other staff	42	42
	<u>48</u>	<u>48</u>

The aggregate payroll costs incurred during the year, relating to the above, were:

	2020 £	2019 (restated) £
Wages and salaries	2,396,593	2,242,956
Social security costs	221,114	216,690
Other pension costs	74,172	77,122
	<u>2,691,879</u>	<u>2,536,768</u>

Avolites Limited

Notes to the Financial Statements (continued)

Year ended 30 April 2020

5. Tangible assets

	Land and buildings £	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Hire stock £	Total £
Cost						
At 1 May 2019 (as restated)	2,106,022	152,448	547,063	30,080	49,927	2,885,540
Additions	8,791	26,783	—	—	119,081	154,655
Disposals	—	—	—	(13,230)	(36,245)	(49,475)
Transfers	—	—	24,579	—	173,170	197,749
At 30 Apr 2020	<u>2,114,813</u>	<u>179,231</u>	<u>571,642</u>	<u>16,850</u>	<u>305,933</u>	<u>3,188,469</u>
Depreciation						
At 1 May 2019	539,976	134,599	531,191	11,405	22,295	1,239,466
Charge for the year	42,296	13,180	15,630	7,520	40,308	118,934
Disposals	—	—	—	(9,096)	(16,157)	(25,253)
Transfers	—	—	21,940	—	99,304	121,244
At 30 Apr 2020	<u>582,272</u>	<u>147,779</u>	<u>568,761</u>	<u>9,829</u>	<u>145,750</u>	<u>1,454,391</u>
Carrying amount						
At 30 Apr 2020	<u>1,532,541</u>	<u>31,452</u>	<u>2,881</u>	<u>7,021</u>	<u>160,183</u>	<u>1,734,078</u>
At 30 Apr 2019	<u>1,566,046</u>	<u>17,849</u>	<u>15,872</u>	<u>18,675</u>	<u>27,632</u>	<u>1,646,074</u>

During the year the 100% owned subsidiary Avolites Media Limited was made into a dormant trading company and the fixed assets that Avolites Media Limited held were transferred to Avolites Limited.

6. Investments

	Other investments other than loans £
Cost	
At 1 May 2019 as restated	—
Transfers	768,046
At 30 April 2020	<u>768,046</u>
Impairment	
At 1 May 2019 as restated and 30 April 2020	—
Carrying amount	
At 30 April 2020	<u>768,046</u>
At 30 April 2019	<u>—</u>

During the year Avolites Media Limited was made into a dormant trading company and the investment that Avolites Media Limited held in A.I Systems Limited was transferred to Avolites Limited.

Avolites Limited

Notes to the Financial Statements *(continued)*

Year ended 30 April 2020

6. Investments *(continued)*

Subsidiaries, associates and other investments

	Class of share	Percentage of shares held
Subsidiary undertakings		
Avolites Media	Ordinary	100
A.I Systems	Ordinary	100

7. Debtors

	2020	2019 <i>(restated)</i>
	£	£
Trade debtors	436,082	866,018
Amounts owed by group undertakings	—	558,832
Prepayments and accrued income	189,676	25,299
Corporation tax repayable	390,291	202,384
Other debtors	127,756	95,190
	<u>1,143,805</u>	<u>1,747,723</u>

8. Creditors: amounts falling due within one year

	2020	2019 <i>(restated)</i>
	£	£
Bank loans and overdrafts	104,937	99,691
Trade creditors	617,516	494,369
Accruals and deferred income	42,997	10,297
Social security and other taxes	56,955	61,111
Other creditors	3,130	—
	<u>825,535</u>	<u>665,468</u>

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

	2020	2019 <i>(restated)</i>
	£	£
Bank loans and overdrafts	<u>21,008</u>	<u>120,649</u>

The bank loan is secured by a fixed charge over the freehold property of the company and by a floating charge over the other assets.

Interest is charged at 2% above the National Westminster Bank plc base rate.

Avolites Limited

Notes to the Financial Statements *(continued)*

Year ended 30 April 2020

10. Prior period errors

Avolites Limited has discovered a material error in the fixed asset register for the net book values stated due to an immaterial error in the depreciation charges for 2019, 2018 and 2017. Due to this error the fixed assets were materially understated.

The fixed assets net book value in the prior year was understated by £62,261 and has increased from £1,583,813 to £1,646,074

This has led to an increase in the retained earnings from £5,731,637 to £5,793,898.

11. Summary audit opinion

The auditor's report for the year ended 30 April 2020, dated 29 April 2021, was unqualified

The senior statutory auditor was STEWART JELL, for and on behalf of Shipleys LLP.

12. Related party transactions

The company was under the control of the directors throughout the current and previous year. No further transactions were undertaken as are required to be disclosed under FRS 102.