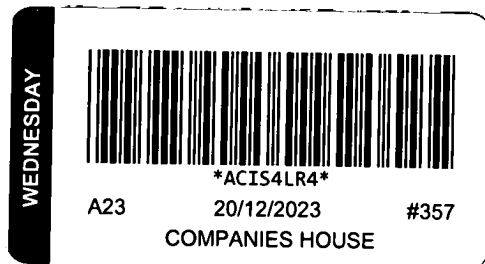


Avolites Limited
Filleted Financial Statements
30 April 2023



Avolites Limited
Statement of Financial Position
30 April 2023

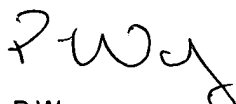
	Note	2023 £	2022 £
Fixed assets			
Tangible assets	5	3,026,121	3,134,269
Current assets			
Stocks		3,835,007	2,720,278
Debtors	6	821,286	735,008
Cash at bank and in hand		363,229	867,163
		5,019,522	4,322,449
Creditors: amounts falling due within one year	7	(2,106,422)	(994,356)
Net current assets		2,913,100	3,328,093
Total assets less current liabilities		5,939,221	6,462,362
Creditors: amounts falling due after more than one year	8	(925,000)	(1,327,520)
Net assets		<u>5,014,221</u>	<u>5,134,842</u>
Capital and reserves			
Called up share capital		39,027	39,027
Share premium account		42,500	42,500
Revaluation reserve		1,567,459	1,567,459
Capital redemption reserve		6,000	6,000
Profit and loss account		3,359,235	3,479,856
Shareholders funds		<u>5,014,221</u>	<u>5,134,842</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.

These financial statements were approved by the board of directors and authorised for issue on 31 July 2023 and are signed on behalf of the board by:


P Wong
Managing Director


R Salzedo
Chairman

Company registration number: 2578003

The notes on pages 2 to 7 form part of these financial statements.

Avolites Limited
Notes to the Financial Statements
Year ended 30 April 2023

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.

Going concern

In the Directors opinion based on current budgets, positive cash balances and its working capital requirements, the company has sufficient funds to meet its liabilities for at least twelve months from approval of these accounts.

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

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 goods supplied, stated net of discounts and of Value Added Tax.

Avolites Limited

Notes to the Financial Statements *(continued)*

Year ended 30 April 2023

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 2023

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
Plant and Machinery	- 25% straight line
Fixtures and Fittings	- 50% straight line
Motor Vehicles	- 25% straight line
Computer Equipment	- 50% straight line
Hire Stock	- 25% straight line

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.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model and the performance model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset.

Avolites Limited

Notes to the Financial Statements *(continued)*

Year ended 30 April 2023

3. Accounting policies *(continued)*

Government grants *(continued)*

Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

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:

	2023 No.	2022 No.
Directors	7	7
Number of other staff	36	37
	<u>43</u>	<u>44</u>

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

	2023 £	2022 £
Wages and salaries	2,169,289	1,953,236
Social security costs	229,954	216,422
Other pension costs	78,765	72,672
	<u>2,478,008</u>	<u>2,242,330</u>

Avolites Limited

Notes to the Financial Statements (continued)

Year ended 30 April 2023

5. Tangible assets

	Land and buildings £	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Hire stock £	Total £
Cost						
At 1 May 2022	3,100,000	246,064	588,084	2,809	272,252	4,209,209
Additions	3,445	7,440	8,339	–	2,689	21,913
Disposals	–	–	–	–	(2,689)	(2,689)
At 30 Apr 2023	3,103,445	253,504	596,423	2,809	272,252	4,228,433
Depreciation						
At 1 May 2022	81,500	196,546	580,507	2,808	213,579	1,074,940
Charge for the year	62,052	24,151	8,639	1	34,389	129,232
Disposals	–	–	–	–	(1,860)	(1,860)
At 30 Apr 2023	143,552	220,697	589,146	2,809	246,108	1,202,312
Carrying amount						
At 30 Apr 2023	2,959,893	32,807	7,277	–	26,144	3,026,121
At 30 Apr 2022	3,018,500	49,518	7,577	1	58,673	3,134,269

In the prior year the Land and Buildings were revalued. The company owns two properties;

The first property 176A Park Avenue, London, NW10 7XL was revalued at £2m on the 2nd November 2021 by 3H Property Consultants and the second property 184 Park Avenue, London, NW10 7XL was revalued at £1.1m on the 28 May 2021 by Vail Williams.

6. Debtors

	2023 £	2022 £
Trade debtors	492,648	468,833
Prepayments and accrued income	50,200	78,846
Corporation tax repayable	114,726	95,911
Other debtors	163,712	91,418
	821,286	735,008

7. Creditors: amounts falling due within one year

	2023 £	2022 £
Bank loans and overdrafts	360,000	270,813
Trade creditors	1,271,815	473,821
Accruals and deferred income	94,629	37,250
Social security and other taxes	60,847	58,510
Other creditors	319,131	153,962
	2,106,422	994,356

Avolites Limited

Notes to the Financial Statements *(continued)*

Year ended 30 April 2023

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

	2023	2022
	£	£
Bank loans and overdrafts	<u>925,000</u>	<u>1,327,520</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.

9. Summary audit opinion

The auditor's report for the year 30 April 2023 was dated on 1 September 2023 and was unqualified.

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

10. 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 and FRS 102.