

AVANTE IT (UK) LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

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AVANTE IT (UK) LIMITED

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AVANTE IT (UK) LIMITED
REGISTERED NUMBER: 06961873

BALANCE SHEET
AS AT 30 JUNE 2017

	Note	2017 £	2016 £
FIXED ASSETS			
Tangible assets	5	24,681	34,269
CURRENT ASSETS			
Debtors	6	142,252	179,127
Cash at bank		70,474	59,210
		<u>212,726</u>	<u>238,337</u>
Creditors: amounts falling due within one year	7	(279,586)	(251,618)
NET CURRENT LIABILITIES		<u>(66,860)</u>	<u>(13,281)</u>
NET (LIABILITIES)/ASSETS		<u><u>(42,179)</u></u>	<u><u>20,988</u></u>
CAPITAL AND RESERVES			
Called up share capital		100	100
Profit and loss account		(42,279)	20,888
EQUITY SHAREHOLDERS' (DEFICIT)/FUNDS		<u><u>(42,179)</u></u>	<u><u>20,988</u></u>

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 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 and delivered 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 company has opted not to file the Directors' Report and Profit and Loss Account in accordance with the provisions applicable to companies subject to the small companies regime, under section 444 of the Companies Act 2006.

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

..... 29/03/2018

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V Blanco
Director

The notes on pages 2 to 8 form part of these financial statements.

AVANTE IT (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

1. GENERAL INFORMATION

Avante IT (UK) Limited (company number: 06961873), having its registered office at 1st Floor Sackville House, 143-149 Fenchurch Street, London, EC3M 6BN, is a private limited company incorporated in England and Wales.

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 Cash flow

The company has taken advantage of the exemption from Financial Reporting Standard 102 Section 1A.7 from the requirement to produce a Statement of Cash Flows on the grounds that it is a small company.

2.3 Going concern

The company has net liabilities of £42,179 (2016: £20,988 net assets) at the year end. However, the company has the support of its parent company, who is the company's main creditor. The directors therefore consider that the company will be able to continue in existence for the foreseeable future.

2.4 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:

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.

AVANTE IT (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

2. ACCOUNTING POLICIES (CONTINUED)

2.5 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 provided on the following basis:

Fixtures & fittings	- 25% Straight line
Office equipment	- 25% Straight line

2.6 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.7 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.

2.8 Financial instruments

The company only enters into basic financial instruments 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 and loans to related parties.

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.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the Balance Sheet date.

2.9 Creditors

Short term creditors are measured at the transaction price.

AVANTE IT (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

2. ACCOUNTING POLICIES (CONTINUED)

2.10 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is British Pound Sterling.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Income and Retained Earnings except when deferred in other comprehensive income as qualifying cash flow hedges.

2.11 Finance costs

Finance costs are charged to the Statement of Income and Retained Earnings 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.

2.12 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 the Statement of Income and Retained Earnings 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.

2.13 Interest income

Interest income is recognised in the Statement of Income and Retained Earnings using the effective interest method.

AVANTE IT (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

2. ACCOUNTING POLICIES (CONTINUED)

2.14 Taxation

Tax is recognised in the Statement of Income and Retained Earnings.

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. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date.

3. EMPLOYEES

The average monthly number of employees, including the directors, during the year was as follows:

	2017	2016
Directors	2	2
Employees	5	5
	<u>7</u>	<u>7</u>

AVANTE IT (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

4. TAXATION

	2017 £	2016 £
CORPORATION TAX		
Adjustments in respect of previous periods	-	(5,770)

FACTORS AFFECTING TAX CHARGE FOR THE YEAR

The tax assessed for the year is higher than (2016 - *lower than*) the standard rate of corporation tax in the UK of 19% (2016 - 20%). The differences are explained below:

	2017 £	2016 £
Loss on ordinary activities before tax	(63,167)	(12,837)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2016 - 20%)	(12,002)	(2,567)
EFFECTS OF:		
Expenses not deductible for tax purposes	151	26
Depreciation in excess of/(less than) capital allowances for year	1,822	(5,389)
Creation of tax losses	10,029	2,160
TOTAL TAX CHARGE FOR THE YEAR	-	(5,770)

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

There are taxable trading losses of £63,583 (2016: £10,800) available to carry forward, which may be offset against future tax charges.

AVANTE IT (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

5. TANGIBLE FIXED ASSETS

	Fixtures & fittings £	Office equipment £	Total £
COST			
At 1 July 2016	3,173	60,589	63,762
Additions	-	1,334	1,334
At 30 June 2017	<u>3,173</u>	<u>61,923</u>	<u>65,096</u>
DEPRECIATION			
At 1 July 2016	3,115	26,378	29,493
Charge for the year	15	10,907	10,922
At 30 June 2017	<u>3,130</u>	<u>37,285</u>	<u>40,415</u>
NET BOOK VALUE			
At 30 June 2017	<u>43</u>	<u>24,638</u>	<u>24,681</u>
At 30 June 2016	<u>58</u>	<u>34,211</u>	<u>34,269</u>

6. DEBTORS

	2017 £	2016 £
Due within one year		
Trade debtors	119,834	132,430
Other debtors	1,290	7,348
Prepayments and accrued income	21,128	39,349
	<u>142,252</u>	<u>179,127</u>

AVANTE IT (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

7. CREDITORS: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	43,030	35,823
Other taxation and social security	51,443	32,480
Other creditors	158,540	158,294
Accruals and deferred income	26,573	25,021
	<u>279,586</u>	<u>251,618</u>

8. RELATED PARTY TRANSACTIONS

Included within other creditors are amounts due to companies with control over the company of £114,200 (2016: £114,200).

Included within other creditors are amounts due to key management personnel of the company of £44,094 (2016: £44,094).

9. PENSION COMMITMENTS

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £123 (2016 - £Nil). Contributions totalling £246 (2016 - £Nil) were payable to the fund at the Balance Sheet date and are included in creditors.

10. ULTIMATE PARENT UNDERTAKING

As at 30 June 2017 and 30 June 2016, the ultimate parent undertaking was Okinawa Corporation Pty Limited, a company incorporated in Australia, by virtue of their 100% shareholding in Avante IT (Victoria) Pty Limited.