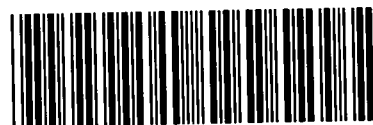


Company Registration No. 07688750 (England and Wales)

AVIGNON CAPITAL LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

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AVIGNON CAPITAL LIMITED

COMPANY INFORMATION

Director	P Flaton
Company number	07688750
Registered office	73 Cornhill London EC3V 3QQ
Auditor	Gerald Edelman 73 Cornhill London EC3V 3QQ
Business address	28 Margaret Street London W1W 8RZ

AVIGNON CAPITAL LIMITED

CONTENTS

	Page
Director's report	1 - 2
Independent auditor's report	3 - 5
Profit and loss account	6
Statement of comprehensive income	7
Balance sheet	8
Statement of changes in equity	9
Notes to the financial statements	10 - 20

AVIGNON CAPITAL LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

The director presents his annual report and financial statements for the year ended 31 December 2018, comparative figures are for the 18 month period to 31 December 2017.

Principal activities

The principal activity of the company was that of commercial property management, investment and advisory services.

Director

The director who held office during the year and up to the date of signature of the financial statements was as follows:

E Mounier
P Flaton

(Resigned 1 February 2019)

Results and dividends

The results for the period are set out on page 6.

No ordinary dividends were paid (2017: £55,000). The directors do not recommend payment of a final dividend.

Auditor

Gerald Edelman were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Statement of director's responsibilities

The director is responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

AVIGNON CAPITAL LIMITED

DIRECTOR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

Going concern

Having reviewed the company's financial forecasts and expected future cash flows (see note 1.2), the director has reasonable expectations that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the going concern basis has been adopted in preparing the financial statements for the year ended 31 December 2018.

On behalf of the board

.....
P Flaton

Director

Date:

19/1/19

AVIGNON CAPITAL LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBER OF AVIGNON CAPITAL LIMITED

Opinion

We have audited the financial statements of Avignon Capital Limited (the 'company') for the year ended 31 December 2018 which comprise the profit and loss account, the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's *responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern.

We draw your attention to note 1.2 in the financial statements, which indicates that the company incurred a loss after tax of £790,575 during the year to 31 December 2018 and as at that date, the company had net liabilities of £274,747. These events or conditions along with other matters as set out in Note 1.2, indicate that a material uncertainty exists on the company's ability to continue as a going concern. Our opinion is not modified in this respect.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the director has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The director is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

AVIGNON CAPITAL LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBER OF AVIGNON CAPITAL LIMITED

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the director's report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the director's report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the company is not entitled to claim exemption in preparing a strategic report due to it being a member of an ineligible group.

Responsibilities of director

As explained more fully in the director's responsibilities statement, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the director is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the director either intends to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matters which we are required to address

The prior period financial statements were not audited.

AVIGNON CAPITAL LIMITED

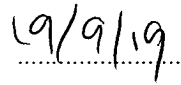
INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBER OF AVIGNON CAPITAL LIMITED

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members 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 and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Engin Zekia FCA (Senior Statutory Auditor)
for and on behalf of Gerald Edelman



Chartered Accountants
Statutory Auditor

73 Cornhill
London
EC3V 3QQ

AVIGNON CAPITAL LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2018

		Year ended 31 December 2018 £	Period ended 31 December 2017 as restated £
	Notes		
Turnover	3	1,138,936	4,431,025
Cost of sales		(22,500)	(1,110,382)
Gross profit		1,116,436	3,320,643
Administrative expenses		(1,988,032)	(2,942,241)
Other operating income		17,000	-
Operating (loss)/profit	4	(854,596)	378,402
Interest receivable and similar income	7	33	8
Interest payable and similar expenses	8	(870)	-
(Loss)/profit before taxation		(855,433)	378,410
Tax on (loss)/profit	9	64,858	(82,318)
(Loss)/profit for the financial year		(790,575)	296,092

The Profit and Loss Account has been prepared on the basis that all operations are continuing operations.

AVIGNON CAPITAL LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2018

	Year ended 31 December 2018 £	Period ended 31 December 2017 as restated £
(Loss)/profit for the year/period	(790,575)	296,092
Other comprehensive income	-	-
Total comprehensive income for the year/period	<u>(790,575)</u>	<u>296,092</u>

AVIGNON CAPITAL LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2018

		2018		2017 as restated	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	11		113,769		67,592
Current assets					
Debtors	12	1,144,656		1,017,682	
Cash at bank and in hand		151,818		232,214	
		<u>1,296,474</u>		<u>1,249,896</u>	
Creditors: amounts falling due within one year	13	<u>(1,684,990)</u>		<u>(801,661)</u>	
Net current (liabilities)/assets			(388,516)		448,235
Total assets less current liabilities			<u>(274,747)</u>		<u>515,827</u>
Capital and reserves					
Called up share capital	15		3,030		3,030
Share premium account			27,772		27,772
Capital redemption reserve			77		77
Profit and loss reserves			(305,626)		484,948
Total equity			<u>(274,747)</u>		<u>515,827</u>

The financial statements were approved by the board of directors and authorised for issue on 19/9/19 and are signed on its behalf by:

P Flaton
Director

Company Registration No. 07688750

AVIGNON CAPITAL LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	Share capital £	Share premium account £	Capital redemption reserve £	Profit and loss reserves £	Total £
As restated for the period ended 31 December 2017:						
Balance at 1 July 2016		3,077	22,777	-	266,710	292,564
Period ended 31 December 2017:						
Profit and total comprehensive income for the period		-	-	-	296,092	296,092
Issue of share capital	15	30	4,995	-	-	5,025
Dividends	10	-	-	-	(55,000)	(55,000)
Own shares acquired		-	-	-	(77)	(77)
Redemption of shares	15	-	-	77	(22,777)	(22,700)
Reduction of shares	15	(77)	-	-	-	(77)
Balance at 31 December 2017		3,030	27,772	77	484,948	515,827
Year ended 31 December 2018:						
Loss and total comprehensive income for the year		-	-	-	(790,575)	(790,575)
Balance at 31 December 2018		3,030	27,772	77	(305,627)	(274,748)

AVIGNON CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

Company information

Avignon Capital Limited is a private company limited by shares incorporated in England and Wales. The registered office is 73 Cornhill, London, EC3V 3QQ.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position': Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Avignon Holdings Limited. These consolidated financial statements are available from its registered office, Kingsway House, Havilland Street, St Peter Port, Guernsey, GY1 2QE.

1.2 Going concern

Having reviewed the company's financial forecasts and expected future cash flows, the director has reasonable expectations that the company has adequate resources to continue in operational existence for the foreseeable future. This assessment is based on post year end results as well as the continued support of the immediate parent undertaking. Thus the going concern basis has been adopted in preparing the financial statements for the year ended 31 December 2018.

1.3 Reporting period

The comparative figures are for an 18 month period ending 31 December 2017.

AVIGNON CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

1.4 Turnover

Turnover represents amounts receivable for services provided in the normal course of business, shown net of VAT and other sales related taxes.

Turnover comprises of asset management fees, which are recognised over the period of the service, together with acquisition, debt advisory and disposal fees which are all recognised on the date of the transaction.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	5 years Straight Line
Fixtures, fittings & equipment	15% Reducing Balance
Computer equipment	15% Reducing Balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.6 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors, amounts due from fellow group companies and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

AVIGNON CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

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 company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors and loans from fellow group companies that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

AVIGNON CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the director is required to make judgements, estimates and assumptions about the carrying amount 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

AVIGNON CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

3 Turnover and other revenue

	2018	2017 as restated
	£	£
Turnover analysed by class of business		
Transaction fees	423,159	1,426,592
Disposal fees	566,329	1,189,487
Asset Management fees	149,448	1,814,946
	<u>1,138,936</u>	<u>4,431,025</u>
	2018	2017
	£	£
Other significant revenue		
Interest income	33	8
	<u>33</u>	<u>8</u>
	2018	2017 as restated
	£	£
Turnover analysed by geographical market		
Europe	1,138,936	4,431,025
	<u>1,138,936</u>	<u>4,431,025</u>

4 Operating (loss)/profit

	2018	2017
	£	£
Operating (loss)/profit for the period is stated after charging:		
Exchange losses	12,291	3,084
Fees payable to the company's auditor for the audit of the company's financial statements	48,000	-
Depreciation of owned tangible fixed assets	22,135	16,929
	<u>82,426</u>	<u>20,013</u>

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

2018 Number	2017 Number
9	9
<u>9</u>	<u>9</u>

AVIGNON CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

5 Employees (Continued)

Their aggregate remuneration comprised:

	2018 £	2017 £
Wages and salaries	600,680	1,308,424
Social security costs	74,689	148,296
	<u>675,369</u>	<u>1,456,720</u>

6 Director's remuneration

	2018 £	2017 £
Remuneration for qualifying services	-	717,771

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2018 £	2017 £
Remuneration for qualifying services	-	359,270

7 Interest receivable and similar income

	2018 £	2017 £
Interest income		
Interest on bank deposits	33	8

8 Interest payable and similar expenses

	2018 £	2017 £
Interest on invoice finance arrangements	870	-

9 Taxation

	2018 £	2017 as restated £
Current tax		
UK corporation tax on profits for the current period	(52,999)	82,318

AVIGNON CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

Deferred tax

Origination and reversal of timing differences	(11,859)	-
--	----------	---

Total tax (credit)/charge	(64,858)	82,318
---------------------------	----------	--------

The actual (credit)/charge for the year can be reconciled to the expected (credit)/charge for the year based on the profit or loss and the standard rate of tax as follows:

	2018 £	2017 £
(Loss)/profit before taxation	(855,433)	378,410
Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 19.00% (2017: 19.00%)	(162,532)	71,898
Tax effect of expenses that are not deductible in determining taxable profit	12,281	10,420
Group relief	82,628	-
Permanent capital allowances in excess of depreciation	2,765	-
Taxation (credit)/charge for the period	(64,858)	82,318

10 Dividends

	2018 £	2017 £
Interim paid	-	55,000

AVIGNON CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

11 Tangible fixed assets

	Leasehold improvements	Fixtures, fittings & equipment	Computer equipment	Total
	£	£	£	£
Cost				
At 1 January 2018	-	95,785	9,074	104,859
Additions	60,730	7,581	-	68,311
At 31 December 2018	60,730	103,366	9,074	173,170
Depreciation and impairment				
At 1 January 2018	-	32,727	4,539	37,266
Depreciation charged in the year	10,883	10,572	680	22,135
At 31 December 2018	10,883	43,299	5,219	59,401
Carrying amount				
At 31 December 2018	49,847	60,067	3,855	113,769
At 31 December 2017	-	63,057	4,535	67,592

12 Debtors

	2018	2017 as restated
	£	£
Amounts falling due within one year:		
Trade debtors	539,992	684,201
Corporation tax recoverable	59,753	6,754
Amounts owed by group undertakings	21,806	-
Other debtors	220,656	89,729
Prepayments and accrued income	290,590	236,998
	1,132,797	1,017,682
Deferred tax asset (note 14)	11,859	-
	1,144,656	1,017,682

AVIGNON CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

13 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	36,388	29,397
Amounts owed to group undertakings	1,238,862	150,000
Corporation tax	38,724	82,318
Other taxation and social security	90,792	4,073
Other creditors	21,158	6,873
Accruals and deferred income	259,066	529,000
	<u>1,684,990</u>	<u>801,661</u>

14 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Assets 2018 £	Assets 2017 £
Balances:		
Tax losses	<u>11,859</u>	<u>-</u>
Movements in the year:		2018 £
Liability at 1 January 2018		-
Credit to profit or loss		(11,859)
Liability/(Asset) at 31 December 2018		<u>(11,859)</u>

The deferred tax asset set out above is expected to reverse within 12 months and relates to the utilisation of tax losses against future expected profits of the same period.

15 Share capital

	2018 £	2017 £
Ordinary share capital		
Issued and fully paid		
3,000 Ordinary "A" shares of £1 each	3,000	3,000
30 Ordinary "B" shares of £1 each	30	30
	<u>3,030</u>	<u>3,030</u>

AVIGNON CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

16 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2018 £	2017 £
Within one year	112,118	87,939
Between two and five years	336,353	448,470
	<u>448,471</u>	<u>536,409</u>

17 Related party transactions

The company has taken advantage of the exemption available under FRS 102 section 33.1A from the requirement to disclose transactions with group companies on the grounds that all transactions were undertaken with wholly owed companies within the group.

Included within debtors is an amounts of £21,806 from Avignon Capital Ventures Limited, a fellow subsidiary company.

18 Controlling party

The immediate parent company is Avignon Group Holdings Limited, a company registered in England & Wales.

The ultimate parent company is CITIC Securities Co, Ltd, a company registered in Hong Kong and listed on the Shanghai and Hong Kong stock exchange.

19 Prior period adjustment

Reconciliation of changes in equity

	1 July 2016 £	31 December 2017 £
Equity as previously reported	292,564	355,960
Adjustments to prior year		
Turnover	-	198,591
Tax	-	(38,724)
Equity as adjusted	<u>292,564</u>	<u>515,827</u>

AVIGNON CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

19 Prior period adjustment

(Continued)

Reconciliation of changes in profit for the previous financial period

	2017 £
Profit as previously reported	136,225
Adjustments to prior year	
Turnover	198,591
Tax	(38,724)
Profit as adjusted	<u>296,092</u>

Notes to reconciliation

The prior period adjustment is to reflect income which related to that period.