

Aves Enterprises LLP
Board Report and Financial Statements
for the year ended 31 December 2016

Registered Number OC390076



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AVES ENTERPRISES LLP

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AVES ENTERPRISES LLP

General Information

Registered office:

12 New Fetter Lane
London
EC4A 1JP

Designated members:

Richard Charles Eaton
12 New Fetter Lane
London
EC4A 1JP

Michael David Kerr
12 New Fetter Lane
London
EC4A 1JP

Morag MacDonald
12 New Fetter Lane
London
EC4A 1JP

Roger George Parry
12 New Fetter Lane
London
EC4A 1JP

Alistair John Balfour Rose
12 New Fetter Lane
London
EC4A 1JP

Chairman

Roger George Parry
(address above)

Operator:

NCM Fund Services Limited
7 Melville Crescent
Edinburgh
EH3 7JA

Legal Counsel:

Bird & Bird LLP
12 New Fetter Lane
London
EC4A 1JP

Auditor:

Scott-Moncrieff
Exchange Place 3
Semple Street
Edinburgh
EH3 8BL

AVES ENTERPRISES LLP

Board's Report

The Board presents its annual report together with the financial statements of Aves Enterprises LLP ("the LLP") for the year ended 31 December 2016.

Activities

The LLP was incorporated on 23 December 2013. It was established as a holding entity to own separate operating businesses to be established or acquired by the LLP. The LLP has invested in two operating businesses (Bird & Bird IP Services Ltd (formerly Aves Brands Ltd) and SPV Baseline Ltd) and established a further trading company (Aves Consulting Ltd), which is currently dormant. During the year the LLP sold its investment in Bird & Bird IP Services Ltd to Bird & Bird LLP, incurring a loss on disposal of £150,000 (further details on this are provided in note 4 to the financial statements).

Results and review of business

The loss for the year, after members' remuneration charged as an expense, was £211,696 (2015: £32,390).

The results for the year to 31 December 2016 are set out in the accompanying financial statements and attached notes.

Designated Members

The designated members of the LLP during the year ended 31 December 2016 were as follows:

Richard Charles Eaton
Michael David Kerr
Morag MacDonald
Roger George Parry
Alistair John Balfour Rose

The above individuals comprise the members of the Board.

Policy in respect of members' drawings

The Board shall determine distributions of capital or profits or the sharing of losses subject to the entitlements of units of Founder Interests and Standard Interests.

Each member acquires their proportionate interest in the LLP in accordance with the amount of their capital contributed and depending on whether they are members with Founder Interests or Standard Interests. No member is required to contribute any further capital on insolvency of the LLP.

No member is entitled to receive interest on their capital contributions.

Post balance sheet event

During January 2017, Aves Enterprises LLP made a further investment of £152,200 in SPV Baseline Ltd.

AVES ENTERPRISES LLP

Board's Report (continued)

Disclosure of information to the auditor

To the best knowledge and belief of the Board, there is no relevant information that the LLP's auditor is not aware of, and the Board has taken all the steps necessary to ensure the designated members are aware of any relevant information, and to establish that the LLP's auditor is aware of the information.

Auditor

The auditor, Scott-Moncrieff will be proposed for reappointment in accordance with section 485 of the Companies Act 2006 as applied to LLPs.

The above report has been prepared in accordance with the special provisions relating to limited liability partnerships subject to the small limited liability partnerships' regime within Part 15 of the Companies Act 2006, as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

This report was approved by the designated members on 27 July 2017 and signed on their behalf by:



.....
Roger Parry
Aves Enterprises LLP

AVES ENTERPRISES LLP

Statement of Board Members' responsibilities

Under the terms of the LLP agreement, the Board is responsible for preparing and approving the Board's Report and the financial statements in accordance with applicable law and regulations.

Legislation applicable to LLPs requires the members to prepare financial statements for each financial year. Under the terms of the LLP Agreement, the members have delegated that authority to the Board and the Board has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (including section 1A of FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"). Under company law as applied by The Limited Liability Partnership (Accounts and Audit) (Application of the Companies Act 2006, Regulation 2008) the designated members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the LLP for that year. In preparing these financial statements, the Board is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the LLP will continue in business.

The Board is responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the LLP and enable them to ensure that the financial statements comply with the Companies Act 2006 as applied by The Limited Liability Partnership (Accounts and Audit) (Application of the Companies Act 2006, Regulation 2008). The Board and the designated members are responsible for safeguarding the assets of the LLP and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AVES ENTERPRISES LLP

Independent Auditor's Report to the Members of Aves Enterprises LLP

We have audited the financial statements of Aves Enterprises LLP for the year ended 31 December 2016 which comprise the profit and loss account, balance sheet, statement of changes in equity and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the LLP's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008). Our audit work has been undertaken so that we might state to the LLP'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 LLP and the LLP's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Board and auditor

As explained more fully in the Statement of Board Members' responsibilities set out on page 5, the Board is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on the financial statements

In our opinion the financial statements:

- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, applicable to smaller entities;
- have been prepared in accordance with the Companies Act 2006 (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008); and
- give a true and fair view of the state of the limited liability partnership's affairs as at 31 December 2016, and of its results for the year then ended.

AVES ENTERPRISES LLP

Independent Auditor's Report to the Members of Aves Enterprises LLP (continued)

Opinion on other matters prescribed by the Companies Act 2006

We are required to report to you if, in our opinion, information in the Board's Report is:

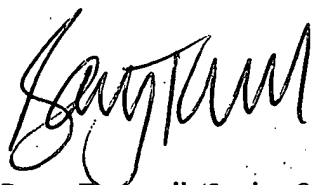
- materially inconsistent with the information in the audited financial statements; or
- apparently materially incorrect based on, or materially inconsistent with, our knowledge of the LLP acquired in the course of performing our audit; or
- is otherwise misleading.

We have no exceptions to report arising from this responsibility.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 (as applied by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) 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 members' remuneration specified by law are not made; or
- the Board was not entitled to prepare financial statements and the Board's report in accordance with the small limited liability partnership regime; or
- we have not received all the information and explanations we require for our audit.



**Barry Truswell (Senior Statutory Auditor)
for and on behalf of Scott-Moncrieff, Statutory Auditor
Chartered Accountants**

Exchange Place 3
Semple Street
Edinburgh
EH3 8BL

Date: 27 July 2017

AVES ENTERPRISES LLP

Profit and Loss Account

For the year ended 31 December 2016

		Year Ended 31 December 2016	Year Ended 31 December 2015
	Note	£	£
Loss on disposal of investment	4	(150,000)	-
Administrative Expenses		(39,538)	(9,585)
Operating Loss	3	<u>(189,538)</u>	<u>(9,585)</u>
Bank Interest Received		342	527
Loss for the financial year before members' remuneration		<u>(189,196)</u>	<u>(9,058)</u>
Members' remuneration charged as an expense	1.7	(22,500)	(23,332)
Loss for the financial year		<u>(211,696)</u>	<u>(32,390)</u>

The operating loss for the year arises from the LLP's continuing operations.

There were no recognised gains or losses other than the loss for the year.

The notes on pages 12 to 17 form part of these financial statements.

AVES ENTERPRISES LLP

Balance Sheet

as at 31 December 2016

	Note	31 December 2016 £	31 December 2015 £
Fixed Asset Investments	4	61,198	411,198
Current assets			
Debtors	5	12,157	26,875
Cash at bank		550,678	400,402
		<u>562,835</u>	<u>427,277</u>
Creditors: Amounts falling due within one year	6	<u>(21,887)</u>	<u>(24,633)</u>
Net current assets		<u>540,948</u>	<u>402,644</u>
Creditors: Amounts falling due after more than one year		-	-
Net assets attributable to members of the LLP		<u>602,146</u>	<u>813,842</u>
Represented by			
Loans and other debts due to members within one year			
Members' current accounts		<u>(274,604)</u>	<u>(62,908)</u>
		<u>(274,604)</u>	<u>(62,908)</u>
Members' other interests			
Members' capital classified as equity		<u>876,750</u>	<u>876,750</u>
		<u>876,750</u>	<u>876,750</u>
Total Members' interests			
Loans and other debts due from members		<u>(274,604)</u>	<u>(62,908)</u>
Members' other interests		<u>876,750</u>	<u>876,750</u>
		<u>602,146</u>	<u>813,842</u>

The Board acknowledges its responsibility for complying with the requirements of the Companies Act 2006 as applied by The Limited Liability Partnership (Accounts and Audit) (Application of the Companies Act 2006, Regulation 2008) with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the special provisions relating to limited liability partnerships subject to the small limited liability partnerships regime within part 15 of the Companies Act 2006, (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008, and in accordance with section 1A of FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice applicable to Small Entities) and the Statement of Recommended Practice, Accounting by Limited Liability Partnerships issued in July 2014.

AVES ENTERPRISES LLP

Balance Sheet (continued)

as at 31 December 2016

The financial statements were approved by the designated members and authorised for issue on 27 July 2017.



.....
Roger Parry
Aves Enterprises LLP
Limited Liability Partnership no.: OC390076

The notes on pages 12 to 17 form part of these financial statements.

AVES ENTERPRISES LLP

Statement of Changes in Equity

for the year ended 31 December 2016

	Members' capital	Members' current accounts	Total
	£	£	£
Members' interests at 31 December 2014	855,040	(30,518)	824,522
Capital contributed during the year	21,710	-	21,710
Loss for the year before members' remuneration	-	(9,058)	(9,058)
Members' remuneration charged as an expense	-	(23,332)	(23,332)
Members' interests at 31 December 2015	<u>876,750</u>	<u>(62,908)</u>	<u>813,842</u>
Members' interests at 31 December 2015	876,750	(62,908)	813,842
Capital contributed during the year	-	-	-
Loss for the year before members' remuneration	-	(189,196)	(189,196)
Members remuneration charged as an expense	-	(22,500)	(22,500)
Members' interests at 31 December 2016	<u>876,750</u>	<u>(274,604)</u>	<u>602,146</u>

Members' equity interests are designated as units of Founder Interest or units of Standard Interest, with units of Founder Interest having additional rights as compared to those of Standard Interest.

The notes on pages 12 to 17 form part of these financial statements.

AVES ENTERPRISES LLP

Notes to the financial statements

For the year ended 31 December 2016

1 ACCOUNTING POLICIES

1.1 General information

Aves Enterprises LLP is a limited liability partnership registered in England and is governed by the LLP deed dated 22 January 2014.

These financial statements are presented in pounds sterling (GBP) as this is the currency in which all of the LLP's transactions are denominated (its functional currency).

1.2 Basis of preparation

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including section 1A of Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), the Companies Act 2006 as applied by LLPs and the Statement of Recommended Practice (SORP), Accounting by Limited Liability Partnerships, issued in July 2014. The financial statements have been prepared on the historical cost basis.

This is the first year in which the financial statements have been prepared under section 1A of FRS 102. Refer to note 11 for further details of the transition.

1.3 Going Concern

The Board are satisfied that the LLP has adequate availability of funding in order to continue as a going concern. Therefore the LLP adopts the going concern basis in preparing these financial statements.

1.4 Consolidation

In the opinion of the Board, the LLP and its subsidiary undertakings comprise a small group. The LLP has therefore taken advantage of the exemption to prepare group financial statements in accordance with the special provisions relating to Limited Liability Partnerships, subject to the small Limited Liability Partnerships' regime within Part 15 of the Companies Act 2006, as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

1.5 Turnover

The LLP's turnover is derived from its principal activity in the United Kingdom. Turnover is recognised in the financial year and is accounted for on an accruals basis.

1.6 Members' Interests

Members' interests are classified as either equity or a liability of the LLP in order to reflect their participation rights, based on the terms of the LLP agreement. There are no restrictions or limitations on the ability of members to reduce the amount of members' other interests.

AVES ENTERPRISES LLP

Notes to the financial statements (continued)

For the year ended 31 December 2016

1 ACCOUNTING POLICIES (continued)

1.7 Members' remuneration

The limited liability partnership agreement provides for the sharing of profits at the discretion of the Board.

Any non-discretionary amounts becoming due to members that give rise to liabilities are presented as an expense within profit or loss under the heading 'Members' remuneration charged as an expense'.

1.8 Taxation

No provision is made for taxation within these financial statements as all tax liabilities are directly attributable to the members.

1.9 Foreign currency translation

Transactions denominated in foreign currencies are translated at the exchange rate at the date of the transaction.

Foreign currency assets and liabilities held at the balance sheet date are retranslated at the exchange rates ruling at that date. All other resulting exchange differences are dealt with in the profit and loss account.

1.10 Investments

Unlisted investments are stated at cost less provision for permanent diminution in value. Cost is taken to be the purchase price including acquisition expenses.

1.11 Financial instruments

The LLP only enters into basic financial instruments that result in recognition of financial assets and liabilities like trade and other creditors and debtors, loans to and from related parties and investments in non-puttable ordinary shares which are measured at cost.

2 Critical accounting estimates and judgements

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.

The Board is satisfied that there are no significant estimates or judgements in place and that the accounting policies are appropriate and have been applied consistently.

AVES ENTERPRISES LLP

Notes to the financial statements (continued)

For the year ended 31 December 2016

3 OPERATING LOSS

This is stated after charging:	2016	2015
	£	£
Operator's fees	14,278	14,561
Auditor's remuneration	2,500	2,500

4 FIXED ASSET INVESTMENTS

	2016	2015
	£	£
Cost at 31 December 2015	411,198	100,200
Additions during the year	150,000	310,998
Disposals during the year	(500,000)	-
Cost at 31 December 2016	61,198	411,198

On 3 March 2016 Aves Enterprises LLP made a further investment of £150,000 into Bird & Bird IP Services Ltd (formerly Aves Brands Ltd) bringing the total investment to £500,000. On 13 July 2016 Bird & Bird IP Services Ltd was sold in full to Bird & Bird LLP for a cash payment of £350,000; this transaction resulted in a loss to the LLP on disposal of the investment of £150,000.

Under the terms of the sale agreement, Bird & Bird LLP was issued with units in Aves Enterprises LLP to give it an immediate holding of approximately 10% of the enlarged number of units in issue in Aves Enterprises LLP, together with a warrant that converts into the same number of units in Aves Enterprises LLP, if either: (1) consolidated annual net profits of Aves Enterprises LLP reach €600,000; or (2) annual consolidated revenues reach €6,000,000.

As consideration for the units and warrant issued to Bird & Bird LLP, the brought forward contingent liability totalling € 960,000 was extinguished (see notes 8 & 9).

AVES ENTERPRISES LLP

Notes to the financial statements (continued)

For the year ended 31 December 2016

4 FIXED ASSET INVESTMENTS (continued)

Fixed asset investments were made up of the following holdings in subsidiary undertakings:

Investment	Principal activity	Country of registration	Percentage of ordinary share capital held	
			31 December 2016	31 December 2015
Bird & Bird IP Services Ltd (formerly Aves Brands Limited)	Management of Trademarks and other IP assets	England	-	100%
SPV Baseline Limited	Working with and assisting clients in the delivery of large, technology-enabled change programmes and support on compliance with new and amended regulation	England	61%	61%
Aves Consulting Limited	Dormant	England	100%	100%

The results of these companies are not consolidated in these financial statements due to the LLP claiming exemption from preparing group financial statements in accordance with the special provisions relating to Limited Liability Partnerships, subject to the small Limited Liability Partnerships' regime within Part 15 of the Companies Act 2006, as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006).

Summary financial information for the LLP's active subsidiaries as extracted from their financial statements for the year ended 31 December 2016 is set out below:

	Bird & Bird IP Services Ltd	
	Period to 13 July 2016	Year to 31 Dec 2015
	£	£
Turnover	407,129	661,789
Administration expenses	(526,750)	(865,048)
Operating Loss for the period	(119,621)	(203,259)
Current Assets	300,058	170,461
Creditors: amounts falling due within one year	(208,277)	(109,096)
Creditors: amounts falling due over one year	-	(100,000)
Net assets/(liabilities)	91,781	(38,635)

AVES ENTERPRISES LLP

Notes to the financial statements (continued)

For the year ended 31 December 2016

4 FIXED ASSET INVESTMENTS (continued)

	SPV Baseline Limited	
	Year to 31 Dec 2016	Year to 31 Dec 2015
	£	£
Turnover	635,641	238,868
Administration Expenses	(638,606)	(255,061)
Operating loss for the year	<u>(2,965)</u>	<u>(16,193)</u>
Fixed Assets	451	-
Current Assets	205,094	240,301
Creditors: amounts falling due within one year	<u>(128,004)</u>	<u>(159,922)</u>
Net assets	<u>77,541</u>	<u>80,379</u>

On 4 January 2017 Aves Enterprises LLP made a further investment of £152,500 into SPV Baseline Ltd (see note 9).

5 DEBTORS

	2016	2015
	£	£
Accrued Interest	-	34
Prepayments	2,840	11,430
Other Debtors	-	15,411
VAT reclaimable	9,317	-
	<u>12,157</u>	<u>26,875</u>

6 CREDITORS

	2016	2015
	£	£
Trade creditors	3,000	-
Accruals	10,160	4,282
Other creditors	8,727	-
VAT payable	-	20,351
	<u>21,887</u>	<u>24,633</u>

AVES ENTERPRISES LLP

Notes to the financial statements (continued)

For the year ended 31 December 2016

7 RELATED PARTIES

Prior to incorporation, expenditure relating to start-up costs totalling €844,000 was incurred by Bird & Bird LLP on behalf of Aves Enterprises LLP. Bird & Bird LLP subsequently incurred a further €116,000 of costs in respect of Aves Enterprises LLP. Bird & Bird LLP is a related party due to it having a number of members in common with the LLP.

The full amount of €960,000 was included as a contingent liability in the financial statements for the year ended 31 December 2015 and was extinguished in full during the financial year, following the sale of Bird and Bird IP Services Ltd to Bird & Bird LLP on 13 July 2016 (see note 4).

At the year end the LLP owed £8,727 (2015 - £568 was owed from SPV Baseline Limited) to SPV Baseline Limited, a partially owned subsidiary.

8 CONTINGENT LIABILITIES

A contingent liability totalling €960,000 existed relating to costs incurred by Bird & Bird LLP on behalf of Aves Enterprises LLP. Under the terms of the agreement, repayment of these amounts was contingent on the future results of the partnership. €844,000 of these costs were incurred before the incorporation of Aves Enterprises LLP and €116,000 subsequently.

Following the sale of Bird and Bird IP Services Ltd to Bird & Bird LLP on 13 July 2016 this contingent liability was written off in full for exchange for units and a warrant in Aves Enterprises LLP issued to Bird & Bird LLP (see note 4).

9 NON-ADJUSTING POST BALANCE SHEET EVENTS

On 4 January 2017 Aves Enterprises LLP made a further investment of £152,500 in the ordinary shares of SPV Baseline Ltd. The other shareholder in SPV Baseline Ltd also made a further investment at that time and so the percentage of ordinary share capital held remains at 61%.

10 CONTROLLING INTERESTS

The LLP is controlled by its Board. There is no individual controlling party.

11 TRANSITION TO FRS 102

The group and LLP transitioned to FRS 102 from previously extant UK GAAP as at 1 January 2014. The last set of financial statements prepared under UK GAAP was for the period ended 31 December 2015.

The policies applied under the entity's previous accounting framework are not materially different to those applied under section 1A of FRS102. As a result of the transition there have been no changes to the reported results of the partnership.