

**AVODE LIMITED**  
**Unaudited Financial Statements**  
**For the financial year ended 31 March 2022**  
**Pages for filing with the registrar**

**AVODE LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**For the financial year ended 31 March 2022**

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**AVODE LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**As at 31 March 2022**

	<b>Note</b>	<b>2022</b>	<b>2021</b>
		<b>£</b>	<b>£</b>
<b>Fixed assets</b>			
Tangible assets	3	1,159	0
Investments	4	184,296	450
		<b>185,455</b>	<b>450</b>
<b>Current assets</b>			
Debtors	5	793,489	574,250
Cash at bank and in hand		27,823	18,490
		<b>821,312</b>	<b>592,740</b>
<b>Creditors</b>			
Amounts falling due within one year	6	( 493,048)	( 160,993)
<b>Net current assets</b>		<b>328,264</b>	<b>431,747</b>
<b>Total assets less current liabilities</b>		<b>513,719</b>	<b>432,197</b>
<b>Creditors</b>			
Amounts falling due after more than one year	7	( 38,600)	( 47,500)
Provision for liabilities		( 290)	0
<b>Net assets</b>		<b>474,829</b>	<b>384,697</b>
<b>Capital and reserves</b>			
Called-up share capital	8	100	100
Profit and loss account		474,729	384,597
<b>Total shareholder's funds</b>		<b>474,829</b>	<b>384,697</b>

**AVODE LIMITED**  
**STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**As at 31 March 2022**

For the financial year ending 31 March 2022 the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The member has not required the Company to obtain an audit of its financial statements for the financial year in accordance with section 476;
- The director acknowledges their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements; and
- These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime and a copy of the Statement of Income and Retained Earnings has not been delivered.

The financial statements of Avode Limited (registered number: 10090485) were approved and authorised for issue by the Director on 07 November 2022. They were signed on its behalf by:

Mr P Abson  
Director

**AVODE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the financial year ended 31 March 2022**

**1. Accounting policies**

The principal accounting policies are summarised below. They have all been applied consistently throughout the financial year and to the preceding financial year, unless otherwise stated.

**General information and basis of accounting**

Avode Limited (the Company) is a private company, limited by shares, incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The address of the Company's registered office is 1 Willow Court, Wendelbury, Bicester, Oxfordshire, OX25 2JY, United Kingdom.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Section 1A of Financial Reporting Standard 102 (FRS 102) 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime.

The financial statements are presented in pounds sterling which is the functional currency of the company and rounded to the nearest £.

**Going concern**

The director has assessed the Statement of Financial Position and likely future cash flows at the date of approving these financial statements. The director has a reasonable expectation that the Company has adequate resources to continue in operational existence and to meet its financial obligations as they fall due for at least 12 months from the date of signing these financial statements. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

**Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Turnover is recognised when the significant risks and rewards are considered to have been transferred to the customer.

**Interest income**

Interest income is recognised when it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

**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 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.

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**Taxation**

*Current tax*

Current tax is provided at amounts expected to be paid (or recoverable) using the tax rates and laws that have been enacted or substantively enacted at the Statement of Financial Position date.

*Deferred tax*

Deferred tax arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the Company's financial statements. Deferred tax is provided in full on timing differences which result in an obligation to pay more or less tax at a future date, at the average tax rates that are expected to apply when the timing differences reverse, based on current tax rates and laws. Deferred tax assets and liabilities are not discounted.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

**Tangible fixed assets**

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended. Depreciation is provided on all tangible fixed assets, other than investment properties and freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a [straight-line/reducing balance] basis over its expected useful life, as follows:

Plant and machinery etc.	5 years straight line
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Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

**Impairment of assets**

Assets, other than those measured at fair value, are assessed for indicators of impairment at each Statement of Financial Position date. If there is objective evidence of impairment, an impairment loss is recognised in the Statement of Income and Retained Earnings as described below.

**Fixed asset investments**

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value through profit or loss if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

**Trade and other debtors**

Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method less impairment losses for bad and doubtful debts, except where the effect of discounting would be immaterial. In such cases the receivables are stated at cost less impairment losses for bad and doubtful debts.

**Cash and cash equivalents**

Cash and cash equivalents 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 creditors: amounts falling due within one year.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**Trade and other creditors**

Trade and other creditors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest rate method, unless the effect of discounting would be immaterial, in which case they are stated at cost.

**Financial instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

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.

Financial assets and liabilities are only offset in the Balance Sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

**Government grants**

Government grants are recognised based on the performance model and are measured at the fair value of the asset received or receivable when there is reasonable assurance that the company will comply with conditions attaching to them and the grants will be received.

A grant that specifies performance conditions is recognised in income only when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the grant proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

**Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the Statement of Financial Position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

**Work in Progress**

Work in progress is valued at the lower of cost and net realisable value. Costs includes all direct expenditure and an appropriate proportion of overheads.

At each reporting date, work in progress is assessed for impairment. If work in progress is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

Work in progress is recognised in cost of sales based on the proportion of costs incurred in the production of goods sold as a proportion of the estimated total costs of production.

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**2. Employees**

	<b>2022</b>	<b>2021</b>
	<b>Number</b>	<b>Number</b>
Monthly average number of persons employed by the Company during the year, including the director	1	1

**3. Tangible assets**

	<b>Plant and machinery etc.</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
<b>Cost</b>		
At 01 April 2021	0	0
Additions	1,449	1,449
<b>At 31 March 2022</b>	<b>1,449</b>	<b>1,449</b>
<b>Accumulated depreciation</b>		
At 01 April 2021	0	0
Charge for the financial year	290	290
<b>At 31 March 2022</b>	<b>290</b>	<b>290</b>
<b>Net book value</b>		
<b>At 31 March 2022</b>	<b>1,159</b>	<b>1,159</b>
At 31 March 2021	0	0

**4. Fixed asset investments**

	<b>Investments in associates</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
<b>Carrying value before impairment</b>		
At 01 April 2021	450	450
Additions	183,846	183,846
<b>At 31 March 2022</b>	<b>184,296</b>	<b>184,296</b>
<b>Provisions for impairment</b>		
At 01 April 2021	0	0
<b>At 31 March 2022</b>	<b>0</b>	<b>0</b>
<b>Carrying value at 31 March 2022</b>	<b>184,296</b>	<b>184,296</b>
Carrying value at 31 March 2021	450	450



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**5. Debtors**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Amounts owed by Group undertakings	0	74,250
Amounts owed by associates	792,500	500,000
Other debtors	989	0
	<b>793,489</b>	<b>574,250</b>

Included in amounts owed by associates is a loan of £500,000 that is unsecured. Interest on the loan is fixed at 10% per annum.

The remaining amounts owed by associates are unsecured, interest free and repayable upon demand.

**6. Creditors: amounts falling due within one year**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Bank loans	8,914	2,500
Amounts owed to director	444,287	125,417
Accruals	3,180	3,000
Corporation tax	36,217	29,626
Other creditors	450	450
	<b>493,048</b>	<b>160,993</b>

**7. Creditors: amounts falling due after more than one year**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Bank loans	38,600	47,500

**8. Called-up share capital**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Allotted, called-up and fully-paid</b>		
100 Ordinary shares of £ 1.00 each	100	100

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**9. Related party transactions**

**Transactions with entities in which the entity itself has a participating interest**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Sales	63,203	0
Balance due from associates	792,500	74,250

The amounts owed by associates includes relating to a loan to an associate, where interest is charged at 10% and there is no defined repayment date. The remaining amounts owed by associates are unsecured, interest free and repayable upon demand.

**Transactions with the entity's director**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Balance due to directors at year end	444,287	125,417

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.