

**AVALONEX LTD**  
**UNAUDITED FINANCIAL**  
**STATEMENTS**  
**FOR THE YEAR ENDED 31 MAY 2018**  
**PAGES FOR FILING WITH REGISTRAR**



# AVALONEX LTD

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# AVALONEX LTD

## BALANCE SHEET

AS AT 31 MAY 2018

	Notes	2018 £	£	2017 £	£
<b>Current assets</b>					
Debtors	4	4,221		12,416	
Cash at bank and in hand		6,135		132	
		<u>10,356</u>		<u>12,548</u>	
<b>Creditors: amounts falling due within one year</b>	5	<u>(15,450)</u>		<u>(13,451)</u>	
<b>Net current liabilities</b>			<u>(5,094)</u>		<u>(903)</u>
<b>Capital and reserves</b>					
Called up share capital	6		100		100
Profit and loss reserves			<u>(5,194)</u>		<u>(1,003)</u>
<b>Total equity</b>			<u>(5,094)</u>		<u>(903)</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

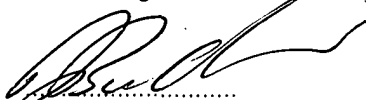
For the financial year ended 31 May 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 20<sup>th</sup> June 2019 and are signed on its behalf by:



Andrew Buckley  
Director

Company Registration No. SC449050

# AVALONEX LTD

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2018

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### 1 Accounting policies

#### Company information

Avalonex Ltd is a private company limited by shares incorporated in Scotland. The registered office and trading address is Gilkhorn, Maud, Peterhead, Aberdeenshire, AB42 5RR.

#### 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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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.

#### 1.2 Going concern

At 31 May 2018, the company had negative equity of £5,094. A portion of the dividend paid during the year is also unlawful due to the lack of distributable reserves.

The directors have agreed they will provide funds to meet the liabilities of the company as and when they fall due and have also agreed to repay the dividend if necessary and no further distributions will be made. The financial statements have therefore been prepared on a going concern basis.

#### 1.3 Turnover

Turnover represents amounts receivable for offshore consultancy services and is recognised at the point of invoice.

#### 1.4 Tangible fixed assets

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

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

Computer equipment	- 25% straight line
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#### 1.5 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand and deposits held at call with banks.

#### 1.6 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

Financial assets are classified into specific categories. The classification depends on the nature and purpose of the financial assets and are determined at the time of recognition.

# AVALONEX LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2018

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### 1 Accounting policies

(Continued)

#### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs.

#### **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 creditors, are initially and subsequently recognised at transaction price.

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.

### 1.7 Equity instruments

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

### 1.8 Taxation

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

#### **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.

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.

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 2 (2017 - 2).

# AVALONEX LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2018

### 3 Tangible fixed assets

Plant and machinery etc  
£

**Cost**

At 1 June 2017 and 31 May 2018

1,464

**Depreciation and impairment**

At 1 June 2017 and 31 May 2018

1,464

**Carrying amount**

At 31 May 2018

-

At 31 May 2017

-

### 4 Debtors

2018

2017

Amounts falling due within one year:

£

£

Trade debtors

3,216

8,203

Corporation tax recoverable

664

664

Other debtors

341

3,549

4,221

12,416

### 5 Creditors: amounts falling due within one year

2018

2017

£

£

Trade creditors

3,600

-

Corporation tax

9,365

10,952

Other creditors

2,485

2,499

15,450

13,451

### 6 Called up share capital

2018

2017

£

£

**Ordinary share capital**

Issued and fully paid

100 Ordinary shares of £1 each

100

100

100

100

# AVALONEX LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MAY 2018

#### 7 Directors' transactions

Advances or credits have been granted by the company to its directors as follows:

Description	% Rate	Opening balance £	Amounts repaid £	Closing balance £
Andrew Buckley - Loan	-	1,776	(1,776)	-
Jean Buckley-Adkin - Loan	-	1,774	(1,774)	-
		<u>3,550</u>	<u>(3,550)</u>	<u>-</u>

During the year the directors operated current accounts with the company. At 31 May 2018 the balance due to the directors by the company amounted to £355 (2017 - £nil). These loans are interest free and have no set repayment terms.