AVATU LIMITED

UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2017

Company Registration Number: 02762085

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FOR THE YEAR ENDED 31 MARCH 2017

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AVATU LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2017

DIRECTOR

Mr H S Jouhal

SECRETARY

The company does not have an appointed secretary

REGISTERED OFFICE

Unit E2 Regent Park
Summerleys Road
Princes Risborough
Buckinghamshire
HP27 9LE

COMPANY REGISTRATION NUMBER

02762085 England and Wales

AVATU LIMITED

BALANCE SHEET

AS AT 31 March 2017

	Notes	2017		2016	
		£		£	
FIXED ASSETS					
Tangible assets	7		38,659		53,447
CURRENT ASSETS					
Stock		32,334		28,330	
Debtors	8	2,488,490		2,148,483	
Cash at bank and in hand		67,916		35,160	
		2,588,740		2,211,973	
CREDITORS: Amounts falling due within one year	9	1,583,940		1,070,328	
NET CURRENT ASSETS			1,004,800		1,141,645
TOTAL ASSETS LESS CURRENT LIABILITIES			1,043,459		1,195,092
CREDITORS: Amounts falling due after more than one year	10		-		101,976
Provisions for liabilities and charges			452		2,679
NET ASSETS			1,043,007		1,090,437
CAPITAL AND RESERVES					
Called up share capital			100		100
Distributable profit and loss account			1,042,907		1,090,337
SHAREHOLDER'S FUNDS			1,043,007		1,090,437

These accounts have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and in accordance with the provisions of FRS 102 Section 1A - small entities.

For the financial year ended 31 March 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

Members have not required the company to obtain an audit in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

As permitted by S444 (5A) of the Companies Act 2006 the directors have not delivered to the Registrar a copy of the company's Profit and Loss Account or Directors Report.

Signed on behalf of the board

Mr H S Jouhal
Director

Date approved by the board: 14 December 2017

1 GENERAL INFORMATION

Avatu Limited is a private company limited by shares and incorporated in England and Wales. Its registered office is:

Unit E2 Regent Park
Summerleys Road
Princes Risborough
Buckinghamshire
HP27 9LE

The financial statements are presented in Sterling, which is the functional currency of the company.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation of financial statements

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 Section 1A smaller entities 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ('FRS 102') and the Companies Act 2006.

Revenue recognition

Turnover is measured at the fair value of consideration received or receivable and represents the sale of disk duplication services, software and hardware, stated net of trade discounts and value added tax.

The company recognises revenue when the amount of revenue can be measured reliably and when it is probable that future economic benefits will flow to the entity.

Tangible fixed assets

Fixed assets are carried at cost less accumulated depreciation and accumulated impairment losses.

Depreciation has been provided at the following rate so as to write off the cost or valuation of assets less residual value of the assets over their estimated useful lives.

Plant and equipment	Reducing balance basis at 20% per annum
Office & computer equipment, website and fixtures & fittings	Straight line basis at 20%, straight line basis at 33% and reducing balance basis at 20% per annum
Motor vehicles	Reducing balance basis at 25% per annum

On disposal, the difference between the net disposal proceeds and the carrying amount of the item sold is recognised in the profit and loss account, and included within administrative expenses.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued...)

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 accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets are measured at cost and are assessed at the end of each reporting period for objective evidence of impairment. Where objective evidence of impairment is found, an impairment loss is recognised in profit and loss.

The impairment loss for financial assets measured at cost is measured as the difference between an asset's carrying amount and the 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 reporting date.

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amount and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Impairment of non-financial assets

At each reporting date non-financial assets not carried at fair value, like goodwill and plant, property and equipment, are reviewed to determine whether there is an indication that an asset may be impaired. If there is an indication of possible impairment, the recoverable amount of any asset or group of related assets (which is the higher of value in use and the fair value less cost to sell) is estimated and compared with its carrying amount. If the recoverable amount is lower, the carrying amount of the asset is reduced to its recoverable amount and an impairment loss is recognised immediately in profit or loss.

Stocks are also assessed for impairment at each reporting date. The carrying amount of each item of stock, or group of similar items, is compared with its selling price less cost to complete and sell. If an item of stock, or group of similar items, is impaired its carrying amount is reduced to selling price less costs to complete and sell, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss is subsequently reversed, the carrying amount of the asset, or group of related assets, is increased to the revised estimate of its recoverable amount, but not to exceed the amount that would have been determined had no impairment loss been recognised for the asset, or group of related assets, in prior periods. A reversal of an impairment loss is recognised immediately in profit or loss.

Stock

Stock has been valued at the lower of cost and estimated selling price less cost to complete and sell, after making due allowance for obsolete and slow-moving items. Cost comprises the cost of goods purchased valued on a first in first out basis.

The carrying amount of stock sold is recognised as an expense in the period in which the related revenue is recognised.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued...)

Debtors

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

Loans receivable are measured initially at fair value, net of transaction costs, and subsequently at amortised cost using effective interest rate method, less any impairment.

Creditors

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and subsequently at amortised cost using the effective interest method.

Leases

Leases are classified as finance leases when they transfer substantially all the risks and rewards of ownership of the leased assets to the company. Other leases that do not transfer substantially all the risks and rewards of ownership of the leased assets to the company are classified as operating leases.

Assets held under finance leases are recognised in accordance with the company's policy for tangible fixed assets. The corresponding obligations to lessors under finance leases are treated in the balance sheet as a liability. The assets and liabilities under finance leases are recognised at amounts equal to the fair value of the assets, or if lower, the present value of minimum lease payments, determined at the inception of the lease.

Minimum lease payments are apportioned between finance charges and the reduction in the outstanding liabilities using the effective interest method. The finance charge is allocated to each period during the lease so as to produce a constant rate of interest on the remaining balance of the liabilities. Finance charges are recognised in the profit or loss.

Payments applicable to operating leases are charged against profit on a straight line basis over the lease term.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued...)

Taxation

Taxation expense represents the aggregate amount of current tax and deferred tax recognised in the reporting period.

A current tax liability is recognised for the tax payable on the taxable profit of the current and past periods based on current tax rates and laws. A current tax asset is recognised in respect of a tax loss that can be carried back to recover tax paid in a previous period.

Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the

reporting date and that are expected to apply to the reversal of the timing difference.

Current and deferred tax assets and liabilities are not discounted.

Foreign currencies

Transactions in foreign currencies are initially recognised at the rate of exchange ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rate of exchange prevailing at that date. Non-monetary items that are measured at historical cost are translated at the rate ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit or loss.

Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

Provisions

A provision for annual leave accrued by employees as a result of services rendered in the current period, and which employees are entitled to carry forward and use is recognised. The provision is measured at the salary cost payable for the period of absence.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued...)

Pensions

The company operates a defined contribution pension scheme. The amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the amount payable in the year. Differences between contributions payable and contributions actually paid in the year are shown as either accruals or prepayments in the balance sheet.

Employee benefits

Short term employee benefits are recognised as an expense in the period in which they are incurred.

3 TRANSITION TO FRS 102

This is the first year in which the financial statements have been prepared under FRS 102. Note 15 gives an explanation of the effects of the transition.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

No significant accounting estimates and judgements have had to be made by the director in preparing these financial statements.

5 EMPLOYEES

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

	2017	2016
Average number of employees	9	9

6 DIRECTOR'S REMUNERATION

	2017	2016
	£	£
Remuneration paid to the director during the year was:	8,064	8,064

7 TANGIBLE ASSETS

	Plant and equipment	Office & computer equipment, website and fixtures & fittings	Motor vehicles	Leasehold improvements	Total
	£	£	£	£	£
Cost					
At 1 April 2016	13,601	80,006	40,800	4,474	138,881
Additions	-	3,188	-	-	3,188
At 31 March 2017	13,601	83,194	40,800	4,474	142,069
Accumulated depreciation and impairments					
At 1 April 2016	13,043	51,194	21,197	-	85,434
Charge for year	111	12,517	4,901	447	17,976
At 31 March 2017	13,154	63,711	26,098	447	103,410
Net book value					
At 1 April 2016	558	28,812	19,603	4,474	53,447
At 31 March 2017	447	19,483	14,702	4,027	38,659

Included in the above are assets held under finance leases and hire purchase contracts as follows:

	Plant and equipment	Office & computer equipment, website and fixtures & fittings	Motor vehicles	Leasehold improvements	Total
	£	£	£	£	£
Depreciation and impairments charge for year	-	-	4,901	-	4,901

Net book value					
At 1 April 2016	-	-	19,603	-	19,603
At 31 March 2017	-	-	14,702	-	14,702

The assets held under finance leases are secured against the assets to which they relate.

8 DEBTORS

	2017	2016
	£	£
Trade debtors	767,313	423,440
Amounts owed by group undertakings	1,642,891	1,647,780
Prepayments and accrued income	68,208	73,581
Other debtors	10,078	3,682
	2,488,490	2,148,483

9 CREDITORS: Amounts falling due within one year

	2017	2016
	£	£
Bank loans and overdrafts	652,324	395,839
Trade creditors	530,136	515,455
Corporation tax	3	17,949
Other taxation and social security	143,859	60,001
Hire purchase contracts and finance leases	17,714	3,317
Accruals and deferred income	174,120	34,452
Other creditors	65,784	43,315
	1,583,940	1,070,328

Included in other creditors is an advance from the director of £56,877 (2016 = £3,325). This advance is interest free and has no fixed date of repayment.

10 CREDITORS: Amounts falling due after more than one year

	2017	2016
	£	£
Bank loans and overdrafts	-	84,262
Hire purchase contracts and finance leases	-	17,714
	-	101,976

11 SECURED DEBTS

The company has a Confidential Invoice Discounting facility and an Enterprise Finance Guarantee loan arrangement in place with ABN AMRO Commercial Finance plc. ABN AMRO Commercial Finance plc holds a

fixed and floating charge over the assets of Avatu Limited and its holding company, Data Duplication (Holdings) Limited.

The secured debts of the company are also supported by a personal guarantee by H S Jouhal of £50,000, which is split equally between the Confidential Invoice Discounting facility and the Enterprise Finance Guarantee loan.

The hire purchase contracts and finance leases are secured against the assets to which they relate.

12 CONTINGENCIES AND COMMITMENTS

Other Commitments

Amounts falling due under operating leases:	2017	2016
	£	£
In less than one year	9,082	-
In more than one but less than five years	164,397	228,314
	173,479	228,314

Amounts falling due under operating leases for land and buildings:	2017	2016
	£	£
In more than five years	403,750	403,750

13 RELATED PARTY TRANSACTIONS

The company has claimed exemptions from reporting disclosure of related party transactions with the following wholly owned group members:

Data Duplication (Holdings) Limited	Parent company

14 PARENT COMPANY

The company is a wholly owned subsidiary undertaking of Data Duplication (Holdings) Limited whose registered office is Unit E2 Regent Park, Summersley Road, Princess Risborough, Buckinghamshire, HP27 9LE.

15 RECONCILIATIONS ON ADOPTION OF FRS 102

These financial statements for the year ended 31 March 2017 are the first financial statements that comply with FRS 102. The date of transition to FRS 102 is 1 April 2015.

Profit and loss for the year ended 31 March 2016	£
Profit for the year under former UK GAAP	929
Profit for the year under FRS 102	929

Balance sheet at 31 March 2016	£

Equity under former UK GAAP	1,090,437
Equity under FRS 102	1,090,437

Balance sheet at 1 April 2015	**£**
Equity under former UK GAAP	1,218,895
Equity under FRS 102	1,218,895

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.