

COMPANY REGISTRATION NUMBER: 06085623

Avocado Developments Limited
Filleted Unaudited Financial Statements
31 July 2022

Avocado Developments Limited

Financial Statements

Year ended 31 July 2022

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Avocado Developments Limited

Balance Sheet

31 July 2022

		2022	2021
	Note	£	£
Fixed assets			
Investments	4	4,726,468	5,333,065
Current assets			
Stocks	5	4,253,372	5,364,200
Debtors	6	58,895	97,615
Cash at bank and in hand		108,578	141,886
		4,420,845	5,603,701
Creditors: amounts falling due within one year	7	240,897	521,533
Net current assets		4,179,948	5,082,168
Total assets less current liabilities		8,906,416	10,415,233
Creditors: amounts falling due after more than one year	8	1,584,371	3,440,967
Provisions			
Taxation including deferred tax	9	71,549	71,549
Net assets		7,250,496	6,902,717
Capital and reserves			
Called up share capital		3,938	3,938
Share premium account	11	1,970,332	1,970,332
Profit and loss account	11	5,276,226	4,928,447
Shareholders funds		7,250,496	6,902,717

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

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

Directors' responsibilities:

- 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 ;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements .

Avocado Developments Limited

Balance Sheet *(continued)*

31 July 2022

These financial statements were approved by the board of directors and authorised for issue on 16 November 2022
, and are signed on behalf of the board by:

Mr H H Shah

Director

Company registration number: 06085623

Avocado Developments Limited

Notes to the Financial Statements

Year ended 31 July 2022

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Kimberley House, 31 Burnt Oak Broadway, Edgware, Greater London, HA8 5LD.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying capital asset form part of the cost of that asset and, therefore are capitalised. Other borrowing costs are recognised as an expense through profit and loss.

Revenue recognition

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax. On the sale of properties turnover is recognised once the contracts have been exchanged.

Deferred tax

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses. Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

Dividends and other distributions received from investments are recognised as income without regard to whether the distributions are from accumulated profits arising before or after the date of acquisition.

Investment properties are revalued annually to their fair value and any surplus or deficit is dealt with through profit and loss. No depreciation or amortisation is provided in respect of investment properties.

Work in progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the balance sheet and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

4. Investments

	Shares in group undertakings £	Loans to group undertakings £	Investment properties £	Total £
Cost				
At 1 August 2021	100	2,184,465	3,148,500	5,333,065
Disposals	—	(606,597)	—	(606,597)
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At 31 July 2022	100	1,577,868	3,148,500	4,726,468
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Impairment				
At 1 August 2021 and 31 July 2022	—	—	—	—
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Carrying amount				
At 31 July 2022	100	1,577,868	3,148,500	4,726,468
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At 31 July 2021	100	2,184,465	3,148,500	5,333,065
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The company's freehold investment properties have been valued at the reporting date by the Directors on an open market basis. The company's leasehold investment properties are stated in accordance with the valuation undertaken by London's Surveyors & Valuers Ltd (Chartered Surveyors) in July 2019. The Directors are of the opinion the valuation reflects the current market value of the leasehold investment properties.

In respect of investment properties, stated at fair value, the comparable historical cost values would be £2,771,926 (2021: £2,771,926).

The company has a wholly owned subsidiary, Avocado Developments Wealdstone Limited, a company incorporated in England & Wales.

5. Stocks

	2022	2021
	£	£
Work in progress	4,253,372	5,364,200

6. Debtors

	2022	2021
	£	£
Trade debtors	750	17,639
Other debtors	58,145	79,976
	58,895	97,615

7. Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	196,167	474,421
Corporation tax	13,325	—
Other creditors	31,405	47,112
	240,897	521,533

8. Creditors: amounts falling due after more than one year

	2022	2021
	£	£
Bank loans	1,384,370	2,134,370
Shareholders loan	200,001	1,306,597
	1,584,371	3,440,967

The aggregate amount of creditors which are secured by a first legal charge over the company's properties amounted to £1,384,370 (2021: £2,134,370). The shareholders loans are interest free and with no fixed repayment date. The directors do not foresee that the loans will be repaid within 12 months of the reporting date and therefore it has been disclosed under amounts falling due after more than one year.

9. Provisions

	Deferred tax (note 10) £
At 1 August 2021 and 31 July 2022	71,549

10. Deferred tax

The deferred tax included in the balance sheet is as follows:

	2022	2021
	£	£
Included in provisions (note 9)	71,549	71,549

The deferred tax account consists of the tax effect of timing differences in respect of:

	2022	2021
	£	£
Fair value adjustment of investment property	71,549	71,549

11. Reserves

	2022	2021
	£	£
Distributable profits	4,971,201	4,623,422
Unrealised fair value gains on investment properties	305,025	305,025
	<u>5,276,226</u>	<u>4,928,447</u>

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.