

AVOCET FUEL SYSTEMS PLC

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

SATURDAY



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23/06/2018
COMPANIES HOUSE

AVOCET FUEL SYSTEMS PLC

COMPANY INFORMATION

Directors	Mr M F Frost Dr J R Jennings Mrs J O Frost Mrs R M Jennings
Company secretary	Eirlys Lloyd Company Services Ltd
Registered number	09520380
Registered office	25 Palace Street Berwick upon Tweed Northumberland TD15 1HN
Independent auditors	Ryecroft Glenton Chartered Accountants & Registered Auditor 32 Portland Terrace Jesmond Newcastle Upon Tyne NE2 1QP

AVOCET FUEL SYSTEMS PLC

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AVOCET FUEL SYSTEMS PLC

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2017**

Introduction

The principal activity of the Company was the development of innovative fuel solutions.

Business review

This year represented a formative year for the Company, in which it was granted its trading certificate, but little else in the way of activity was actually undertaken by the Company.

The parent Company, Avocet Infinite Plc continued to develop the Avocet fuel additive and associated intellectual property.

Principal risks and uncertainties

The Company faces competitive risk, legislative risk and financial risk.

In the year under review there was very little activity and the risks arising from any one those were considered minimal.

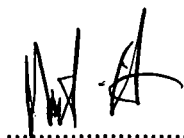
Financial key performance indicators

As the Company did not actively trade during the period, incurring only a small amount of expenditure, the directors consider there were no key performance indicators.

Other key performance indicators

As per above, there were no non-financial key performance indicators.

This report was approved by the board on 14 June 2018 and signed on its behalf.



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Mr M F Frost
Director

AVOCET FUEL SYSTEMS PLC

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2017

The directors present their report and the financial statements for the year ended 31 December 2017.

Directors

The directors who served during the year were:

Mr M F Frost
Dr J R Jennings
Mrs J O Frost
Mrs R M Jennings

Future developments

The company expects to commence trading fully in 2018.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors 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 Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The loss for the year, after taxation, amounted to £1,650 (2016 - profit £NIL).

The directors do not recommend payment of a dividend.

AVOCET FUEL SYSTEMS PLC

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2017**

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Post balance sheet events

There have been no significant events affecting the Company since the year end, but before the date of signing these financial statements..

Auditors

The auditors, Ryecroft Glenton, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 14 June 2018 and signed on its behalf.



Mr M F Frost
Director

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF AVOCET FUEL SYSTEMS PLC
UNDER SECTION 449 OF THE COMPANIES ACT 2006**

Opinion

We have audited the financial statements of Avocet Fuel Systems PLC for the year ended 31 December 2017, which comprise the Statement of Income and Retained Earnings, the Balance Sheet and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF AVOCET FUEL SYSTEMS PLC
(CONTINUED)
UNDER SECTION 449 OF THE COMPANIES ACT 2006**

inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF AVOCET FUEL SYSTEMS PLC
(CONTINUED)
UNDER SECTION 449 OF THE COMPANIES ACT 2006**

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' 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 Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Paul Charlton (Senior Statutory Auditor)

for and on behalf of
Rycroft Glenton

Chartered Accountants
Registered Auditor

32 Portland Terrace
Jesmond
Newcastle Upon Tyne
NE2 1QP

14 June 2018

AVOCET FUEL SYSTEMS PLC

**STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Note	2017 £	2016 £
Administrative expenses		(1,650)	-
Operating (loss)/profit		<u>(1,650)</u>	<u>-</u>
(Loss)/profit after tax		<u>(1,650)</u>	<u>-</u>
Loss for the year		(1,650)	-
Retained earnings at the end of the year		<u>(1,650)</u>	<u>-</u>

The notes on pages 9 to 11 form part of these financial statements.

BALANCE SHEET
AS AT 31 DECEMBER 2017

	Note	2017 £	2016 £
Fixed assets			
Investments	5	101	-
		<u>101</u>	<u>-</u>
Current assets			
Debtors: amounts falling due within one year	6	50,000	50,000
		<u>50,000</u>	<u>50,000</u>
Creditors: amounts falling due within one year	7	(1,751)	-
		<u>48,249</u>	<u>50,000</u>
Net current assets		<u>48,249</u>	<u>50,000</u>
Total assets less current liabilities		<u>48,350</u>	<u>50,000</u>
Net assets		<u>48,350</u>	<u>50,000</u>
Capital and reserves			
Called up share capital		50,000	50,000
Profit and loss account		(1,650)	-
		<u>48,350</u>	<u>50,000</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 14 June 2018.


Mr M F Frost
Director

The notes on pages 9 to 11 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

1. General information

Avocet Fuel Systems Plc is a public company limited by shares, incorporated in England and Wales (Registration Number: 09377507). The registered office address is 25 Palace Street, Berwick-upon-Tweed, Northumberland, TD15 1HN.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Valuation of investments

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of Income and Retained Earnings for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

2.3 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 are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.4 Creditors

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

3. Operating (loss)/profit

The operating (loss)/profit is stated after charging:

4. Employees

The average monthly number of employees, including the directors, during the year was as follows:

	2017 No.	2016 No.
Directors	4	4

AVOCET FUEL SYSTEMS PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

5. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
Additions	101
At 31 December 2017	<u>101</u>
Net book value	
At 31 December 2017	<u>101</u>
At 31 December 2016	<u>-</u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding	Principal activity
Avocet Propellants Limited	Ordinary	100 %	Dormant
Avocet Fuel Limited	Ordinary Common	100 %	Dormant
Avocet Inc	stock	100 %	Dormant

The aggregate of the share capital and reserves as at 31 December 2017 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

	Aggregate of share capital and reserves £	Profit/(loss) £
Avocet Propellants Limited	(1,659)	(1,655)
Avocet Fuel Limited	100	-
Avocet Inc	1	-
	<u>(1,558)</u>	<u>(1,655)</u>

AVOCET FUEL SYSTEMS PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

6. Debtors

	2017 £	2016 £
Amounts owed by group undertakings	12,500	-
Called up share capital not paid	37,500	50,000
	<u>50,000</u>	<u>50,000</u>

7. Creditors: Amounts falling due within one year

	2017 £	2016 £
Amounts owed to group undertakings	851	-
Accruals and deferred income	900	-
	<u>1,751</u>	<u>-</u>

8. Share capital

	2017 £	2016 £
Allotted, called up and fully paid 50,000 Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>

9. Reserves**10. Controlling party**

The controlling party is the parent company, Avocet Infinite Plc, a company registered in England and Wales whose registered office address is 25 Palace Street, Berwick upon Tweed, Northumberland, TD15 1HN. The group headed by Avocet Infinite Plc is also the smallest group for which consolidated financial statements are drawn up.

The company is exempt from producing consolidated accounts under section 400 of the Companies Act 2006, as it is included in the accounts of Avocet Infinite Plc, which are available free of charge from the Registrar of Companies, Crown Way, Cardiff, CF14 3UZ.