

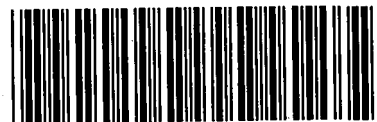
MAP Trading Limited

Annual report and financial statements

Registered number 1826942

For year ended 30 June 2016

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Company information

Company Registration Number 1826942

Registered Office 2 Abbey Road
London
NW10 7BW

Directors ZM Choudrey, CBE, BA(Hons), FCA
MY Sheikh
AM Chaudhary, MBA
R Pervez, ACA
D Pervez, BA(Hons), FRSA MA Oxon, Solicitor

Secretary D Pervez, BA(Hons), FRSA MA Oxon, Solicitor

Auditor KPMG
15 Canada Square
London
E14 5GL

Strategic report

Business review

The directors present their Strategic report and the audited financial statements of MAP Trading Limited for the year ended 30 June 2016.

Principal Activities

The principal activity of the Company during the year was the milling and processing of rice and the importation and sale of rice, herbs, spices and lentils.

Turnover

Turnover for the year ended 30 June 2016 amounted to £19.1 million compared to £14.8 million for the previous year, which is an increase of 29%. MAP began trading with new export customers this year, factoring into the turnover increase. The operating loss for the year to 30 June 2016 was £2.1 million. The loss on ordinary activities before taxation was £2.4 million (2015: £1.4 million).

Assets

Fixed assets after depreciation as at 30 June 2016 stood at £1.976 million as compared to £1.441 million in the previous year. We have incurred significant expenditure on plant and machinery to upgrade the existing mill in order to improve quality and increase output. This will generate cost savings and enable the business to be more profitable in the future.

Future developments and principal risks & uncertainties

We continue to broaden our range to match our customer's needs. The Directors are investing in a better information technology platform to enable our sales representatives to have access to better information about the customers

On 23 June 2016, the UK electorate voted to discontinue its membership of the EU. Until further clarity is known regarding terms in which the UK will exit, the directors are not able to assess the impact on the Company or what impact the wider regulatory and legal consequences of the UK leaving the EU would be on the Company.

Key performance indicators

The Board of Directors uses many performance indicators, both financial and non-financial, to monitor the company's position.

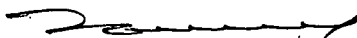
Among the financial performance indicators within the business, the most important ones are gross profit margin, sales by customer, sales by department, wages, stock availability and stock levels.

The key non-financial performance indicators are staff turnover, staff/supplier/customer satisfaction and health and safety reports. The Board is of the belief that the monitoring of the above-mentioned indicators is an effective aspect of business review.

Transition to FRS 101

During the year the company transitioned to Financial Reporting Standard 101 'Reduced Disclosure Framework', "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland ("FRS 101"). The Company's parent undertaking, Bestway (Holdings) Limited, was notified of and did not object to take disclosure exemptions allowed under FRS 101 as a qualifying entity. There were no material recognition or measurement differences arising on the adoption of FRS 101.

By order of the board


Z M Choudrey
Director

27 October 2016

2 Abbey Road
London
NW10 7BW

Directors' report

The directors present their annual report and financial statements for the year ended 30 June 2016.

Principal activities

The principal activities of the company and the nature of the Company's operations are set out in the Strategic report on page 2.

Results and dividend

The trading loss for the year after taxation was £2,371,000 (2015: loss of £1,350,000).

The directors do not recommend the payment of a dividend (2015: £nil).

Directors

The directors who held office during the year were as follows:

ZM Choudrey, CBE, BA (Hons), FCA

MY Sheikh

AM Chaudhary, MBA

R Pervez, ACA

D Pervez, BA (Hons), FRSA MA Oxon, Solicitor

Indemnity provisions

No qualifying third party provision is in force for the benefit of any director of the Company.

Disabled persons

The Company makes every effort to ensure that disabled people receive equal opportunities and are not discriminated against on the grounds of their disability.

Employee involvement

Employees are provided with regular information regarding the Company's affairs and they are consulted on a regular basis wherever feasible and appropriate.

Political and charitable donations

Donations to UK charities amounted to £nil (2015: £nil). No political contributions were made during the year (2015: £nil).


Disclosure of information to auditor

The directors who held office at the date of the approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware, and each director has taken all steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board


Z M Choudrey
Director

27 October 2016

2 Abbey Road
London
NW10 7BW

Statement of directors' responsibilities in respect of the annual report and the financial statements

The directors are responsible for preparing the Strategic report and 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 prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101).

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 and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable United Kingdom Accounting Standards, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 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.

Independent auditor's report to the members of MAP Trading Limited

We have audited the financial statements of MAP Trading Limited for the year ended 30 June 2016 set out on pages 7 to 20. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

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 auditor's 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.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion 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.

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Strategic report and the Directors' report:

- we have not identified material misstatements in those reports; and
- in our opinion, those reports have been prepared in accordance with the Companies Act 2006.

Independent auditor's report to the members of MAP Trading Limited (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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.



Kelly Dunn (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

15 Canada Square

London

E14 5GL

27 October 2016

Profit and Loss and Other Comprehensive Income
For the year ended 30 June 2016

	<i>Note</i>	2016 £'000	2015 £'000
Turnover	4	19,109	14,849
Cost of sales		<u>(19,897)</u>	<u>(14,797)</u>
Gross profit		(788)	52
Administrative expenses	5	(1,298)	(1,165)
Operating loss		<u>(2,086)</u>	<u>(1,113)</u>
Interest receivable	7	2	2
Interest payable and similar charges	8	(314)	(139)
Loss on ordinary activities before taxation		<u>(2,398)</u>	<u>(1,250)</u>
Tax on loss on ordinary activities	9	27	(100)
Loss for the financial year		<u><u>(2,371)</u></u>	<u><u>(1,350)</u></u>
Other Comprehensive Income		-	-
Total comprehensive income for the year		<u><u>(2,371)</u></u>	<u><u>(1,350)</u></u>


The notes on pages 10 to 20 form part of the financial statements.

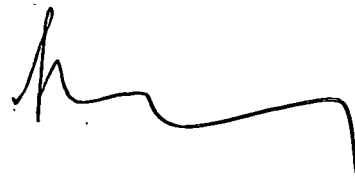
Balance Sheet
As at 30 June 2016

	Note	2016 £'000	2015 £'000
Fixed Assets			
Tangible assets	10	<u>1,976</u>	<u>1,441</u>
		<u>1,976</u>	<u>1,441</u>
Current assets			
Stock	11	3,426	3,424
Debtors	12	2,605	2,818
Cash at bank and in hand		-	644
		<u>6,031</u>	<u>6,886</u>
Current liabilities			
Creditors: amounts falling due within one year	13	<u>9,395</u>	<u>7,317</u>
Net current liabilities		<u>(3,364)</u>	<u>(431)</u>
Total assets less current (liabilities)/assets		<u>(1,388)</u>	<u>1,010</u>
Provisions for liabilities			
Deferred tax liabilities	14	22	49
Net (liabilities)/assets		<u><u>(1,410)</u></u>	<u><u>961</u></u>
Capital and reserves			
Called up share capital	15	1	1
Profit and loss account		(1,411)	960
Shareholder's (deficit)/funds		<u><u>(1,410)</u></u>	<u><u>961</u></u>

The notes on pages 10 to 20 form part of the financial statements.

These financial statements were approved by the Board of Directors on 27 October 2016 and were signed on its behalf by:


ZM Choudrey
Director


MY Sheikh
Director

Registration Number: 1826942

Statement of Changes in Equity

	Called Up Share Capital	Profit and Loss Account	Total equity
	£000	£000	£000
Balance at 1 July 2014	1	2,310	2,311
Total comprehensive income for the period	-	(1,350)	(1,350)
Balance at 30 June 2015	1	960	961
Total comprehensive income for the period	-	(2,371)	(2,371)
Balance at 30 June 2016	1	(1,411)	(1,410)

The notes on pages 10 to 20 form part of the financial statements.

Notes to the Financial Statements

1. General information

MAP Trading Limited (the Company) is a company incorporated and domiciled in the United Kingdom. These financial statements are presented in Pound sterling because that is the currency of the primary economic environment in which the group operates.

2. Significant Accounting Policies

Basis of preparation

The company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council. Accordingly, in the year ended 30 June 2016 the company has decided to adopt FRS 101. The financial statements have therefore been prepared in accordance with FRS 101 (Financial Reporting Standard 101) 'Reduced Disclosure Framework' as issued by the Financial Reporting Council. The amendments to FRS 101 (2014/15 Cycle) issued in July 2015 and effective immediately have been applied. This transition is not considered to have had a material effect on the financial statements.

In the transition to FRS 101, the Company has applied IFRS 1. This transition is not considered to have had a material effect on the financial statements.

The Company's ultimate parent undertaking, Bestway (Holdings) Limited includes the Company in its consolidated financial statements. The consolidated financial statements of Bestway (Holdings) Limited are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from Companies House, Crown Way, Maindy, Cardiff, CF4 3UZ.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. These areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- A Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital and tangible fixed assets;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- An additional balance sheet for the beginning of the earliest comparative period following the retrospective change in accounting policy, or the reclassification of items in the financial statements;
- Disclosures in respect of the compensation of Key Management Personnel; and
- Disclosures of transactions with a management entity that provides key management personnel services to the company.

As the consolidated financial statements of Bestway (Holdings) Limited include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- Certain disclosures required by IFRS 13 *Fair Value Measurement* and the disclosures required by IFRS 7 *Financial Instrument Disclosures*

Notes to the Financial Statements (continued)

2. Significant Accounting Policies (continued)

Basis of preparation (continued)

The Company proposes to continue to adopt the reduced disclosure framework of FRS 101 in its next financial statements.

The following accounting policies have, unless otherwise stated, been applied consistently to all periods presented in these financial statements in dealing with items which are considered material in relation to the Company's financial statements.

The financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such as basis, except for leasing transactions that are within the scope of IAS 17, and measurements that have some similarities to fair value but are not fair value; such as net realisable value in IAS 2 or value in use in IAS 36.

Going concern

The Company balance sheet shows net current liabilities of £3.36 million as at the balance sheet date. Notwithstanding these facts the financial statements have been prepared on a going concern basis, which the directors believe to be appropriate for the following reasons. The directors have received assurances from the board of directors of its ultimate parent, Bestway (Holdings) Limited, that they will continue to make adequate funding available via intercompany accounts for the foreseeable future. As with any company placing reliance on a parent company for financial support, the directors acknowledge that there can be no certainty that this support will continue, although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

On 23 June 2016, the UK electorate voted to discontinue its membership of the EU. Until further clarity is known regarding terms in which the UK will exit, the directors are not able to assess the impact on the Company or what impact the wider regulatory and legal consequences of the UK leaving the EU would be on the Company.

Foreign currencies

Transactions in foreign currencies are translated to the Company's functional currencies at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the profit and loss account.

Notes to the Financial Statements (*continued*)

2. Significant Accounting Policies (*continued*)

Classification of financial instruments issued by the Company

Following the adoption of IAS 32, financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

(a) they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company; and

(b) where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other debtors, cash and cash equivalents, loans and borrowings, and trade and other creditors.

Trade and other debtors

Trade and other debtors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Trade and other creditors

Trade and other creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Intra-group financial instruments

Where the Company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its Group, the company considers these to be insurance arrangements and accounts for them as such. In this respect, the Company treats the guarantee contract as a contingent liability until such time as it becomes probable that the company will be required to make a payment under the guarantee.

Tangible fixed assets

Tangible fixed assets are stated at historical cost less accumulated depreciation

Depreciation is charged to the profit and loss account at rates calculated to write each asset down to its estimated residual value over its expected useful life. Land is not depreciated. Their estimated useful lives are as follows:

Freehold and long leasehold properties	2% straight line
Plant and machinery	15% reducing balance
Fixtures, fittings and equipment	15% reducing balance
Motor vehicles	25% reducing balance

The carrying values of tangible fixed assets are subject to annual review and any impairment is charged to the profit and loss account.

Assets in the course of construction represent the assets under development but not yet complete at the balance sheet date. All such assets are held at cost and transferred to investment properties on completion.

Notes to the Financial Statements (continued)

2. Significant Accounting Policies (continued)

Tangible fixed assets (continued)

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or scrapping of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in income.

Depreciation methods, useful lives and residual values are reviewed at each balance sheet date.

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost is based on the weighted average principle and comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

Retirement benefit costs

The Company makes contributions towards the personal pension schemes of certain of its directors and senior employees. Pension costs charged against profits represent the amounts payable to the schemes in respect of the year.

Turnover recognition

Turnover represents the invoiced value, net of Value Added Tax, of goods delivered and services provided to customers. Turnover is recognised when the risks and rewards of ownership are transferred to the customer. The Company's turnover and profit before taxation were derived from its principal activity and performed in the United Kingdom and overseas.

Retrospective rebates and discounts

The Company negotiates discounts directly with its suppliers. These discounts are accounted for once the directors are confident that the Company is entitled to the discount and are treated as a deduction to cost of sales.

Leases

Operating lease rentals are charged to the profit and loss on a straight line basis over the period of the lease.

Interest receivable and interest payable

Interest receivable comprises interest receivable on cash balances. Interest income is recognised as it accrues, using the effective interest method.

Interest payable comprises interest on intercompany balances. Interest is recognised in the profit and loss as it accrues.

Notes to the Financial Statements (continued)

2. Significant Accounting Policies (continued)

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

a) Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

b) Deferred tax

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

Non-financial assets (including tangible assets)

At each balance sheet date, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined for the year ended 30 June 2016.

Notes to the Financial Statements (continued)

3. Critical Account Judgements and Key Sources of Estimation Uncertainty

In the application of the Company's accounting policies, which are described in note 2, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other facts that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

There were no estimates or assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

4. Turnover

The analysis of the Company's turnover is as follows:

	2016 £'000	2015 £'000
Continuing operations		
Trading Turnover from:		
Sales of goods	19,109	14,849
	<u>19,109</u>	<u>14,849</u>

Analysis of turnover by geography:

	2016 £'000	2015 £'000
UK sales	15,760	14,829
Overseas sales	3,349	20
	<u>19,109</u>	<u>14,849</u>

5. Expenses

Included in the profit and loss are the following:

	2016 £'000	2015 £'000
Depreciation of property, plant and equipment	281	99
Cost of inventories recognised as expense	17,908	13,416
Staff costs (see note 6)	955	972
Reversal of impairment losses recognised on trade receivables	(94)	(5)
Net foreign exchange gain	(13)	-

Auditors Remuneration

	2016 £'000	2015 £'000
Audit of financial statements	7	7
Taxation compliance services	5	5

The company's policy on the use of the external auditor for non-audit services is to ensure that any work undertaken does not impair the auditor's independence. We have considered the auditor's independence and we continue to believe that KPMG LLP is independent within the meaning of all UK regulatory and professional requirements and the objectivity of the audit engagement partner and audit staff is not impaired.

The non-audit services provided within the period were, in the opinion of the group, more efficiently provided by KPMG LLP than other comparable firms due to it having information which it collects during the audit process. We believe that appropriate safeguards are in place and no services were provided pursuant to contingent fee arrangements.

Notes to the Financial Statements (continued)

6. Staff numbers and costs

The average number of persons employed by the Company (including directors) during the year, analysed by category, was as follows:

	2016 Number	2015 Number
Office and Management	9	8
Retailing	13	16
Manufacturing	9	9
Distribution	2	3
	<u>33</u>	<u>36</u>

The aggregate remuneration comprised:

	2016 £'000	2015 £'000
Wages & salaries	865	860
Social security costs	88	88
Other pension costs	2	24
	<u>955</u>	<u>972</u>

The directors were not remunerated for their services to this company for this period or in the prior period.

7. Other interest receivable and similar income

	2016 £'000	2015 £'000
Interest income	2	2
Total other interest receivable and similar income	<u>2</u>	<u>2</u>

8. Interest payable and similar charges

	2016 £'000	2015 £'000
Interest on intercompany balance	314	139
Total interest payable and similar charges	<u>314</u>	<u>139</u>

9. Taxation

i) Recognised in the profit and loss account

	2016 £000	2015 £000
Current tax:		
UK corporation tax on profits of the period	-	-
Adjustments in respect of previous periods	-	72
Total current tax	<u>-</u>	<u>72</u>
Deferred tax (note 14)		
Origination and reversal of timing differences	22	32
Adjustment in respect of previous periods	(49)	(4)
Total deferred tax	<u>(27)</u>	<u>28</u>
Tax on profit on ordinary activities	<u>(27)</u>	<u>100</u>

Notes to the Financial Statements (continued)

9. Taxation (continued)

ii) Reconciliation of effective tax rate

The charge for the year can be reconciled to the profit in the income statement as follows:

	2016 £000	2015 £000
Profit for the year	(2,398)	(1,250)
Tax using the UK corporation tax rate of 20% (2015: 20.75%)	(480)	(260)
<i>Effects of:</i>		
Expenses that are not deductible in determining taxable profit	9	1
Group relief surrendered	496	292
Adjustment to tax charge in respect of previous periods	(49)	72
Rate change impact	(3)	(5)
Tax expense for the year	<u>(27)</u>	<u>100</u>

iii) Factors that may affect future current and total tax charges

Reductions in the UK corporation tax rate from 23% to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015. Accordingly, the Company's profits for this accounting year are subject to tax at a rate of 20% (2015: 20.25%). The deferred tax liability at 30 June has been calculated based on these rates. An additional reduction to 17% (effective from 1 April 2020) was announced in the Budget on 16 March 2016. This will reduce the company's future current tax charge accordingly and reduce the deferred tax liability at 30 June 2016.

10. Tangible Fixed Assets

	Freehold buildings £'000	Plant and machinery £'000	Fixtures and fittings £'000	Motor vehicles £'000	Total £'000
Cost					
At 1 July 2014	46	2,272	162	103	2,583
Additions	-	1,215	3	-	1,218
At 30 June 2015	46	3,487	165	103	3,801
Additions	-	721	95	-	816
At 30 June 2016	<u>46</u>	<u>4,208</u>	<u>260</u>	<u>103</u>	<u>4,617</u>
Accumulated depreciation and impairment					
At 1 July 2014	10	2,042	143	66	2,261
Charge for the year	1	86	3	9	99
At 30 June 2015	11	2,128	146	75	2,360
Charge for the year	1	265	8	7	281
At 30 June 2016	<u>12</u>	<u>2,393</u>	<u>154</u>	<u>82</u>	<u>2,641</u>
Net book value					
At 30 June 2016	<u>34</u>	<u>1,815</u>	<u>106</u>	<u>21</u>	<u>1,976</u>
At 30 June 2015	<u>35</u>	<u>1,359</u>	<u>19</u>	<u>28</u>	<u>1,441</u>
At 1 July 2014	<u>36</u>	<u>230</u>	<u>19</u>	<u>37</u>	<u>322</u>

Notes to the Financial Statements (continued)

11. Stocks

	2016 £'000	2015 £'000
Finished goods for resale	3,426	3,424
	<u>3,426</u>	<u>3,424</u>

The cost of inventories recognised as an expense during the year in respect of continuing operations was £17.9 million (2015: £13.4 million).

The cost of inventories recognised as an expense includes £nil million (2015: £nil million) in respect of write-downs of inventory to net realisable value.

Inventories with a carrying amount of £3.4 million (2015: £ 3.4 million) have been pledged as security for certain of the group's bank overdrafts.

12. Debtors

	2016 £'000	2015 £'000
Trade debtors	1,823	1,071
Amounts owed by related party	352	193
Other debtors	-	960
Other taxes and social security	430	223
Prepayments and accrued income	-	371
	<u>2,605</u>	<u>2,818</u>
Due within one year	<u>2,605</u>	<u>2,818</u>
Due after more than one year	<u>-</u>	<u>-</u>

Trade debtors disclosed above are classified as loans and receivables and are therefore measured at amortised cost.

13. Creditors: amounts falling due within one year

	2016 £'000	2015 £'000
Bank loans and overdrafts	716	-
Trade creditors	1,126	216
Amounts due to related parties	-	178
Amounts due to group undertakings	7,250	6,502
Other creditors and accruals	303	421
	<u>9,395</u>	<u>7,317</u>

Trade creditors and accruals principally comprise amounts outstanding for trade purchases and on-going costs. The average credit period taken for trade purchases is 10 days. For all suppliers no interest is charged on overdue invoices. The Group has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

The directors consider that the carrying amount of trade payables approximates to their fair value.

Notes to the Financial Statements (continued)

14. Deferred tax assets and liabilities

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon during the current and prior reporting period:

	Accelerated Capital Allowances £000	Total £000
At 1 July 2015	49	49
Credit to profit or loss	(27)	(27)
At 30 June 2016	<u>22</u>	<u>22</u>

Deferred tax assets and liabilities are offset where the Group has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	2016 £'000	2015 £'000
Deferred tax liabilities	<u>22</u>	<u>49</u>
	<u>22</u>	<u>49</u>

15. Capital and reserves

	2016 £'000	2015 £'000
Share Capital		
Authorised:		
1,000 ordinary share of £1 each	<u>1</u>	<u>1</u>
Allotted, called up and fully paid		
1,000 ordinary share of £1 each	<u>1</u>	<u>1</u>

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

16. Commitments

The Company had capital expenditure commitments at 30 June 2016 of £28,000 (2015: £500,000).

17. Dividends

Dividends paid during the period were £nil (2015: nil).

18. Contingent liabilities

The Company, together with other companies in the Bestway Securities Limited Group and Bestway Northern (a related party) became party to a Senior Facilities Agreement with JP Morgan Limited on 6 October 2014, whereby the liabilities to JP Morgan Limited of each of the subsidiaries are cross guaranteed by each of the companies. The loans under the agreement at 30 June 2016 amount to £430 million (2015: £564.18 million).

19. Subsequent events

There have been no events subsequent to balance date which would have a material effect on the entity's financial statements at 30 June 2016.

Notes to the Financial Statements (continued)

20. Related party transactions

The Company has taken advantage of the exemptions from disclosures applicable to subsidiary undertakings where 100% or more of the voting rights are controlled within the Group.

There are, however, entities in which the directors of the Company hold an interest which require disclosure as related parties.

The Company's related parties, as defined by IAS 24, the nature of the relationship and the amount of transactions with them during the year were as follows:

	Sale of goods		Purchase of goods	
	2016	2015	2016	2015
	£'000	£'000	£'000	£'000
Bestway Northern Limited	1,469	1,735	-	-
Map Rice Mill (Pvt) Limited	-	-	3,365	3,008

The following amounts were outstanding at the balance sheet date:

	Amounts owed by related parties		Amounts owed to related parties	
	2016	2015	2016	2015
	£'000	£'000	£'000	£'000
Bestway Northern Limited	178	193	-	-
Map Rice Mill (Pvt) Limited	174	-	-	178

The directors of MAP Trading Limited are also directors of Bestway Northern Limited and some are directors of Map Rice Mills (Pvt).

21. Immediate and ultimate parent company

The immediate parent undertaking of MAP Trading Limited is Bestway UK Holdco Limited which is registered in United Kingdom.

The ultimate parent undertaking of MAP Trading Limited is Bestway (Holdings) Limited which is registered in United Kingdom. There is no ultimate controlling party.

The parent undertaking of the largest group which includes the Company and for which group accounts are prepared is Bestway (Holdings) Limited, incorporated in United Kingdom. The parent undertaking of the smallest group which includes the Company and for which group accounts are prepared is Bestway Securities Limited, incorporated in United Kingdom. No other group financial statements include the results of the Company. The consolidated financial statements of these groups are available to the public and may be obtained from Companies House, Crown Way, Maindy, Cardiff, CF4 3UZ.