Company Registration No.
03736461
(England and Wales)

A1 VEG LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED
31 March 2016

A1 VEG LIMITED

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A1 VEG LIMITED

COMPANY INFORMATION

Director
Mr SWH Shah

Auditors
RSC Accountants Limited
NW9 Business Centre
116 Colindale Avenue
London
NW9 5GX

Business address
Unit P20-22
Western International Market
Hayes Road, Southall
Middlesex
UB2 5XJ

Registered office
116 Colindale Avenue
London
NW9 5GX

Registered number
03736461

A1 VEG LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 March 2016

The director presents his report and financial statements for the year ended 31 March 2016.

Director
The following person served as director during the year:

Mr SWH Shah

Director's interest
The director's interest in the shares of the company was as stated below:

	Ordinary of £1 each	
	31 March 2016	**1 April 2015**
Mr SWH Shah	14,066	14,066

Statement of director's responsibilities
The director is responsible for preparing the strategic report, director's report and financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (UK Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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.

A1 VEG LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 March 2016

The director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

Disclosure of information to auditors

The director confirms that:

- so far as he is aware, there is no relevant audit information of which the company's auditor is unaware; and
- he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditors

The auditors, RSC Accountants Limited, are deemed to be reappointed under section 487 of the Companies Act 2006.

This report was approved by the board on 22 DEC 2016 and signed on its behalf.

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Mr SWH Shah
Director

A1 VEG LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 March 2016

Introduction
The company's principal activity during the year continued to be that of wholesalers and retailers of fresh raw vegetables. The company operates from 4 branches situated in London, Birmingham and Manchester.

Review of the business
The purpose of the review of business is to provide information on the company's strategy and objective, the market in which it operates and a review of progress during the period. It includes an analysis of key performance indicators and an assessment of the key risks and uncertainties facing the company.

The financial results for the year and the financial position at the year end were as shown in the company's profit and loss account on page 8 and balance sheet on page 9 respectively. Both the business results and the year end financial positions were considered satisfactory by the director despite turnover and profit being lower than the previous year.

The market remains competitive and the director continues to strive to improve the company's position and market share whilst continuing to provide improved quality and value of the products and competitive pricing to its customers.

Principal risks and uncertainties

Commercial and market
The company may experience loss of revenue growth or detrimental impact on the profit margin due to unforeseen events such as fresh raw vegetables cost and exchange rate fluctuations, increasing labour costs, competitive actions by the competitors and the speed of adjusting prices to the customers. The company works closely with its suppliers and customers in order to manage and mitigate such risks.

The company considers the regulations in wholesale and the retail fresh raw vegetables industry for the operation, specifically in the areas of employment, health and safety and importing regulations to be one of the commercial risks facing the company. The company also operates strict quality control procedures and disciplines to reduce the level of risk encountered.

Other risks within this heading are product risks. The company handles fresh raw vegetables which are perishable with a short life span. The company also operates strict quality control procedures and disciplines to protect its products.

Financial
The company faces a number of financial risks which include the liquidity risk and credit rating risk. These risks are not considered significant as the company does not rely on external bank borrowings to finance its operations.

Other risks and uncertainties within this heading are failures in internal control systems and IT systems. A failure in these systems could have a significant impact on the business. The director has controls in place to maintain and regularly update the efficiency and smooth running of these systems.

Human resources

The company is aware that it is heavily dependent upon the contributions made by its employees to achieve its business objectives and performances. Procedures and policies are in place to attract, train and retain the employees with skills and of a capabilities level appropriate to succeed in achieving its goals.

Key performance indicators

Turnover growth and increase operating margin remain the key performance indicators for the company which the director regularly monitors against the budget and comparative period. Over the last financial period, the company's turnover decreased from £21.9 million to £21.6 million. The operating net profit margin for the same period also marginally decreased from 0.51% to 0.19%.

The director believes that other key performance indicators for the company are not necessary or appropriate for an understanding of the performance, development or position of the business.

Future developments

The director is confident in achieving a stronger and profitable growth in the company's core activities and gaining market share in the wholesales and retails fresh raw vegetables industry whilst continuing to provide improved quality of the products and competitive pricing to its customers.

This report was approved by the board on 22 DEC 2016 and signed on its behalf.

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Mr SWH Shah
Director

A1 VEG LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF A1 VEG LIMITED

We have audited the financial statements of A1 Veg Limited for the year ended 31 March 2016 on pages 8 to 23.The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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.

Respective responsibilities of director and auditors

As explained more fully in the Statement of Director's Responsibilities, the director is 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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the director; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Director's Report and the Strategic Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2016 and of its profit 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Director's Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

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Mr Chin Soo
(Senior Statutory Auditor)
for and on behalf of
RSC Accountants Limited
Chartered Certified Accountants and Statutory Auditors

23 DEC 2016

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NW9 Business Centre
116 Colindale Avenue
London
NW9 5GX

A1 VEG LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 March 2016

	Notes	2016 £	2015 £
Turnover	2	21,644,095	21,896,900
Cost of sales		(19,950,636)	(20,126,766)
Gross profit		1,693,459	1,770,134
Distribution costs		(820,080)	(838,872)
Administrative expenses		(832,624)	(820,640)
Operating profit	3	40,755	110,622
Interest receivable		103	124
Profit on ordinary activities before taxation		40,858	110,746
Tax on profit on ordinary activities	6	(13,462)	(23,284)
Profit for the financial year		27,396	87,462

All the company's activities are derived from continuing operations.

A1 VEG LIMITED

BALANCE SHEET

AS AT 31 March 2016

	Notes		2016		2015
			£		£
Fixed assets					
Intangible assets	7		82,067		100,667
Tangible assets	8		114,678		128,718
			196,745		229,385
Current assets					
Stocks	9	136,827		222,245	
Debtors	10	2,885,141		2,260,063	
Cash at bank and in hand		452,011		238,337	
		3,473,979		2,720,645	
Creditors: amounts falling due within one year	11	(3,140,318)		(2,447,020)	
Net current assets			333,661		273,625
Net assets			530,406		503,010
Capital and reserves					
Called up share capital	12		21,099		21,099
Profit and loss account			509,307		481,911
Shareholders funds			530,406		503,010

Approved by the board and authorised for issue on 22 DEC 2016

Mr SWH Shah
Director

Company Registration No. 03736461

A1 VEG LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 March 2016

	Share capital	Profit and loss account	Total
	£	£	£
At 1 April 2014	21,099	544,449	565,548
Profit for the financial year		87,462	87,462
Dividends		(150,000)	(150,000)
At 31 March 2015	21,099	481,911	503,010
At 1 April 2015	21,099	481,911	503,010
Profit for the financial year		27,396	27,396
At 31 March 2016	21,099	509,307	530,406

A1 VEG LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 March 2016

	Notes	2016 £	2015 £
Operating activities			
Operating profit		40,755	110,622
Adjustments for:			
Profit on disposal of tangible assets		(2,031)	-
Depreciation of tangible assets		33,633	31,404
Amortisation of intangible assets		18,600	18,600
		90,957	160,626
Decrease/(increase) in stocks		85,418	(55,083)
(Increase)/decrease in debtors		(625,078)	559,344
Increase/(decrease) in creditors		703,120	(448,770)
		254,417	216,117
Interest received		103	124
Corporation tax paid		(23,284)	(54,474)
Cash generated by operating activities		231,236	161,767
Investing activities			
Payments to acquire tangible fixed assets		(21,561)	(29,680)
Proceeds from sale of tangible fixed assets		3,999	-
Cash used in investing activities		(17,562)	(29,680)
Financing activities			
Equity dividends paid		-	(150,000)
Cash used in financing activities		-	(150,000)
Net cash generated/(used)			
Cash generated by operating activities		231,236	161,767
Cash used in investing activities		(17,562)	(29,680)
Cash used in financing activities		-	(150,000)
Net cash generated/(used)		213,674	(17,913)
Cash and cash equivalents at 1 April		238,337	256,250
Cash and cash equivalents at 31 March		452,011	238,337
Cash and cash equivalents comprise:			
Cash at bank		452,011	238,337

1 Accounting policies

Company information

A1 Veg Limited (the " Company") is a company limited by shares and incorporated and domiciled in UK.

Basis of preparation

The financial statements have been prepared in accordance with "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

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

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost convention, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The company's financial statements for the year ended 31 March 2016 are the first financial statements of A1 Veg Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The financial statements for the preceding period were prepared in accordance with previous UK GAAP. The date of transition to FRS 102 was 1 April 2014. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 17.

Going concern

At the time of approving the financial statements, the director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the director continues to adopt the going concern basis of accounting in preparing the financial statements.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods.

Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer, usually on despatch of the goods.

Goodwill

Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the company's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business.

Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight line basis over its useful life. Where a reliable estimate of the useful life of goodwill or intangible assets cannot be made, the life is presumed not to exceed five years.

Tangible fixed assets
Tangible fixed assets are initially recorded at cost, and are subsequently stated at cost less any accumulative depreciation and impairment losses.

Any tangilble assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as result of a revaluation, is recognised in the profit and loss account and accumulated in capital and reserves, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation is recognised in the profit and loss account to the extent of any previously recognised revaluation increase accumulated in capital and reserves in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in capital and reserves in respect of that asset, the excess shall be recognised in profit or loss.

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

Leasehold land and buildings	evenly over the lease term
Plant and machinery	15% reducing balance
Fixtures, fittings & equipment	15% reducing balance
Motor vehicles	25% reducing balance

Impairment of fixed assets
At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible 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 in order to determine the extent of the impairment loss (if any). Where it is not possbile to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

Recoverable amount is the higher of fair value less costs to sell 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.

Stock
Stock is valued at the lower cost and net realisable value. Net realisable value includes, where necessary, provisions for slow moving and out of date stocks. Calculation of these provisions requires judgments to be made, which include forecast consumer demand, the promotional, competitive and economic environment and inventory loss trends. At the year end the carrying amount of stocks is stated in note 9.

Cash and cash equivalents
Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Financial instruments
A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets
Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial asset
Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Trade debtos, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets
Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred, after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets
Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirely to an unrelated third party.

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 and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate

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. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities
Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

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.

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 expenses 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.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. 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 if, and only if, there is 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.

Employee benefits
The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Retirement benefits
Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

Leases
Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liabilitiy.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of leased asset and recognised on a straight line basis over the lease term.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

Foreign exchange
Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

Judgements and key sources of estimation uncertainty
In the application of the company's accounting policies, the diretors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Critical judgements
The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Impairment of trade debtors
The company reviews trade debtor balances for impairment and this is performed on a regular basis. Those balances which are considered to be recoverable remain in debtors and those which are not, are impaired and impairment loss is recorded in the profit and loss. In making this judgement, the company evaluates, among other factors, the duration and the financial health of and short-term business outlook for the trade debtors, including factors such as industry and sector performance. At the year end the carrying amount of trade debtors is stated in note 10.

Key sources of estimation uncertainty
The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Useful life of intangible fixed assets
Intangible assets are amortised over their useful life taking into account, where appropriate, residual values. Assessment of useful lives and residual values are performed annually, taking into account factors such as technological innovation, market information and management considerations. In assessing the residual values, the remaining life of the asset, its projected disposal value and future market conditions are taken into account. The carrying amount of the company's intangible fixed assets in the balance sheet is stated in note 7.

Useful lives of tangible fixed assets
The cost of tangible fixed assets is depreciated over its estimated useful economic life. Management estimates the useful lives of these tangible assets to vary. Changes in the expected level of usage and technological developments could impact on the useful economic lives and the residual values of these assets; therefore, future depreciation charges could be revised. The carrying amount of the company's tangible fixed assets in the balance sheet is stated in note 8.

2 Analysis of turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

3 Operating profit

	2016	2015
	£	£
This is stated after charging:		
Depreciation of tangible fixed assets	33,633	31,404
Profit on disposal of tangible fixed assets	(2,031)	-
Amortisation of intangible assets	18,600	18,600
Operating lease rentals - plant and machinery	22,178	24,123
Operating lease rentals - land and buildings	44,118	44,118
Auditors' remuneration for audit services	14,800	14,800

4 Director's emoluments

	2016	2015
	£	£
Remuneration for qualifying services	36,000	36,000
Company contributions to defined contribution pension plans	302	151
	36,302	36,151

The number of director for whom retirement benefits are accruing under defined contribution scheme amounted to 1 (2015 - 1)

5 Staff costs

	2016	2015
	£	£
Staff costs, including director's remuneration, were as follows:		
Wages and salaries	870,957	962,138
Social security costs	64,509	77,027
Other pension costs	5,294	2,231
	940,760	1,041,396

Average number of employees during the year	**Number**	**Number**
Administration	5	7
Production	41	44
	46	51

6 Taxation

	2016	2015
	£	£
Analysis of charge in period		
Current tax:		
UK corporation tax on profits of the period	13,462	23,284
Tax on profit on ordinary activities	13,462	23,284

Factors affecting tax charge for period

The differences between the tax assessed for the period and the standard rate of corporation tax are explained as follows:

	2016	2015
	£	£
Profit on ordinary activities before tax	40,858	110,746
Standard rate of corporation tax in the UK	20%	20%
	£	£
Profit on ordinary activities multiplied by the standard rate of corporation tax	8,172	22,149
Effects of:		
Expenses not deductible for tax purposes	30,674	1,540
Capital allowances for period in excess of depreciation	(25,384)	(405)
Current tax charge for period	13,462	23,284

7 Intangible fixed assets

Goodwill:	£
Cost	
At 1 April 2015	279,000
At 31 March 2016	279,000
Amortisation	
At 1 April 2015	178,333
Charge for the period	18,600
At 31 March 2016	196,933
Carrying amount	
At 31 March 2016	82,067
At 31 March 2015	100,667

8 Tangible fixed assets

	Land and buildings *At cost* £	Plant and machinery *At cost* £	Fixtures, fittings & equipment *At cost* £	Total £
Cost or valuation				
At 1 April 2015	291,194	126,994	105,493	523,681
Additions	-	-	21,561	21,561
Disposals	-	-	(15,662)	(15,662)
At 31 March 2016	291,194	126,994	111,392	529,580
Depreciation				
At 1 April 2015	234,668	87,765	72,530	394,963
Charge for the period	17,970	5,220	10,443	33,633
On disposals	-	-	(13,694)	(13,694)
At 31 March 2016	252,638	92,985	69,279	414,902
Carrying amount				
At 31 March 2016	38,556	34,009	42,113	114,678
At 31 March 2015	56,526	39,229	32,963	128,718

9 Stocks

	2016 £	2015 £
Raw materials and consumables	136,827	222,245

10 Debtors

	2016 £	2015 £
Trade debtors	2,703,347	2,088,220
Other debtors	83,295	102,380
Prepayments and accrued income	98,499	69,463
	2,885,141	2,260,063

11 Creditors: amounts falling due within one year

	2016 £	2015 £
Trade creditors	2,921,683	2,291,048
Corporation tax	13,462	23,284
Other taxes and social security costs	16,025	29,623
Other creditors	46,877	42,090
Accruals and deferred income	142,271	60,975
	3,140,318	2,447,020

12 Share capital

	Nominal value	2016 Number	2016 £	2015 £
Allotted, called up and fully paid:				
Ordinary shares	£1 each	21,099	21,099	21,099

13 Profit and loss account

	2016 £	2015 £
At 1 April	481,911	544,449
Profit for the financial year	27,396	87,462
Dividends	-	(150,000)
At 31 March	509,307	481,911

14 Dividends

	2016 £	2015 £
Dividends paid	-	150,000

15 Other financial commitments

At the year end the company had annual commitments under non-cancellable operating leases as set out below:

	Land and buildings 2016 £	Land and buildings 2015 £	Other 2016 £	Other 2015 £
Operating leases which expire:				
within one year	-	-	-	4,471
within two to five years	12,918	12,918	22,178	19,652
in over five years	31,200	31,200	-	-
	44,118	44,118	22,178	24,123

16 Related party transactions

Dividends of £Nil (2015- £100,000 and £50,000) have been paid in the year to the director and Mr IS Dhaliwal respectively.

Mr IS Dhaliwal is a shareholder who holds 33.33% of the voting rights of A1 Veg Limited. During the year, the company:-

(i) paid a rent of £11,988 (2015- £44,975) to Five Rivers Produce Limited at an arm's length basis. A company in which Mr IS Dhaliwal is a sole director and sole shareholder. At the balance sheet date the total balance owed to Five Rivers Limited was £Nil (2015 - £1,296) and included in 'Other creditors'.

(ii) sold goods to the value of £613,140 (2015 - £377,014) to Mr A Dhaliwal at normal commercial terms. Mr A Dhaliwal is a close family member of Mr IS Dhaliwal. At the balance sheet date the total balance owed by Mr A Dhaliwal was £82,402 (2015 - £17,864) and included in 'Trade debtors'.

17 Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 April 2014.

Reconciliation of equity
No transitional adjustments were required.

Reconciliation of profit or loss for the year
No transitional adjustments were required.

18 Comparatives

Comparative amounts have been reclassified, where necessary, on the same basis as those for the current year.