

TARAK MANUFACTURING COMPANY LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016



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TARAK MANUFACTURING COMPANY LIMITED

COMPANY INFORMATION

Directors

Tarak Ramzan
Sheraz Ramzan
Omar Aziz
Kasim Akram
Nusrat Ramzan

Secretary

Sheraz Ramzan

Company number

SC051132

Registered office

61 Hydepark Street
Glasgow
G3 8BW

Accountants

RSM UK Audit LLP
Third Floor
Centenary House
69 Wellington Street
Glasgow
G2 6HG

Bankers

HSBC
2 Buchanan Street
Glasgow

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TARAK MANUFACTURING COMPANY LIMITED

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TARAK MANUFACTURING COMPANY LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2016

The directors present their report and financial statements for the year ended 31 March 2016.

Principal activities

The principal activity of the company is the provision of warehousing and distribution of ladies fashion clothes as well as the provision of administrative services.

Directors

The following directors have held office during the financial year:

Tarak Ramzan
Sheraz Ramzan
Omar Aziz
Kasim Akram
Nusrat Ramzan

appointed 6th January 2016
appointed 5th May 2016

Auditor

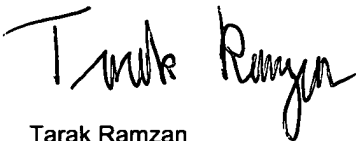
The auditor, RSM UK Audit LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of Disclosure to Auditor

So far as each director is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, each director has taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



Tarak Ramzan
Director

Date 23 December 2016.

TARAK MANUFACTURING COMPANY LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2016

The directors are responsible for preparing 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 those 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;
- 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.

TARAK MANUFACTURING COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TARAK MANUFACTURING COMPANY LIMITED

We have audited the financial statements on pages 4 to 17. 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 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 more fully explained in the Directors' Responsibilities Statement set out 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. 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 (APB'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 <http://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 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 matter prescribed by the Companies Act 2006

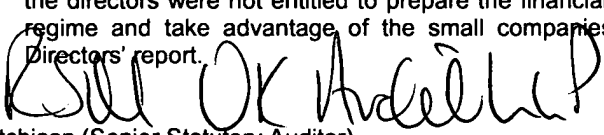
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements and, based on the work undertaken in the course of our audit, the Directors' Report have been prepared in accordance with applicable legal requirements.

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 any material misstatements in the Directors' report.

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;
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement in preparing the Directors' report.


Alan Aitchison (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
Third Floor
Centenary House
69 Wellington Street
Glasgow
G2 6HG
Date 23/12/16

TARAK MANUFACTURING COMPANY LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2016

	Notes	2016 £	2015 £
Turnover		85,790	127,863
Cost of sales		(95,898)	(108,618)
Gross profit		(10,108)	19,245
Administrative expenses		(294,859)	(327,012)
Other operating income		422,963	421,602
Operating profit		117,996	113,835
Investment income	4	(5,433)	10,509
Interest receivable and similar income	5	3,337	16
Interest payable and similar charges	6	(812)	(1,036)
Profit on ordinary activities before taxation	7	115,088	123,324
Taxation	8	25,063	(4,153)
Profit on ordinary activities after taxation and profit for the year		140,151	119,171

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

Given there is no other income to report the profit for the year is equivalent to the total comprehensive income for the year.

TARAK MANUFACTURING COMPANY LIMITED

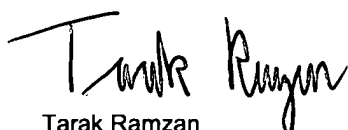
Company Registration No: SC051132

STATEMENT OF FINANCIAL POSITION**AS AT 31 MARCH 2016**

	Notes	2016 £	2015 £
Fixed assets			
Intangible assets	9	28,490	32,066
Tangible assets	10	2,679,913	2,724,279
Investments	11	127,146	132,581
		<u>2,835,549</u>	<u>2,888,926</u>
Current assets			
Stocks	12	-	16,445
Debtors	13	23,344	2,892
Cash at bank and in hand		<u>654,230</u>	<u>524,217</u>
		677,574	543,554
Creditors: amounts falling due within one year	14	<u>(118,054)</u>	<u>(124,505)</u>
Net current assets		<u>559,520</u>	<u>419,049</u>
Total assets less current liabilities		<u>3,395,069</u>	<u>3,307,975</u>
Provisions for liabilities	15	<u>(191,698)</u>	<u>(244,755)</u>
Net assets		<u>3,203,371</u>	<u>3,063,220</u>
Capital and reserves			
Called up share capital	16	900	900
Capital redemption reserve	17	100	100
Revaluation reserve	17	1,736,413	1,736,413
Profit and loss account	17	<u>1,465,958</u>	<u>1,325,807</u>
Total equity		<u>3,203,371</u>	<u>3,063,220</u>

These financial statements on pages 4 to 17 have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the Board and authorised for issue on 23/4/16 and are signed on its behalf by:


Tarak Ramzan
Director

TARAK MANUFACTURING COMPANY LIMITED**STATEMENT OF CHANGES IN EQUITY****FOR THE YEAR ENDED 31 MARCH 2016**

	Share capital's revaluation and other reserves	Profit and loss account	Total
Balance at 1 April 2014	1,737,413	1,206,636	2,944,049
Profit for the year	-	119,171	119,171
Total comprehensive income to the year	-	119,171	119,171
Balance at 31 March 2015	1,737,413	1,325,807	3,063,220
Profit for the year	-	140,151	140,151
Total comprehensive income for the year	-	140,151	140,151
Balance at 31 March 2016	1,737,413	1,465,958	3,203,371

TARAK MANUFACTURING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2016

1 Accounting policies

Company information

Tarak Manufacturing Company Limited is a private company limited by shares incorporated in Scotland. The registered office is 61 Hydepark Street, Glasgow, Strathclyde, G3 8BW.

The principal activity of the company is described in the directors report.

Basis of accounting

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime, and under the historical cost convention. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

First time adoption of FRS 102

These financial statements are the first financial statements the Company has prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) as applied to smaller entities by the adoption of Section 1A of FRS 102. The financial statements of the Company for the year ended 31 March 2015 were prepared in accordance with Financial Reporting Standard for Smaller Entities (effective April 2008) (FRSSE). The transition date is 1 April 2014.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the directors have amended certain accounting policies to comply with FRS 102. The directors have also taken advantage of certain exemptions from the requirements of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'.

Comparative figures have been restated to reflect the adjustments made, except to the extent that the directors have taken advantage of exemptions to retrospective application of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'. Adjustments are recognised directly in retained earnings at the transition date.

Functional and presentational currencies

The financial statements are presented in sterling which is also the functional currency of the company.

Foreign currencies

Transactions in currencies other than the functional currency (foreign currencies) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for sale of goods and services in the ordinary nature of the business net of Value Added Tax.

TARAK MANUFACTURING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

1 Accounting policies (continued)

Going Concern

The Directors' have at the time of approving the financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Intangible assets

Intangible assets purchased are recognised when future economic benefits are probable and the intangible assets are initially recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets are amortised to profit or loss on a straight-line basis over their useful lives, as follows:-

Computer software	between 7 and 10 years
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Amortisation is revised prospectively for any significant change in useful life or residual value. On disposal, the difference between the net disposal proceeds and the carrying amount of the intangible asset is recognised in profit or loss.

Tangible fixed assets and depreciation

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. Depreciation is provided on all tangible fixed assets, other than freehold land and investment properties, at rates calculated to write off the cost or valuation of each asset to its estimated residual value on a straight line basis over its expected useful life, as follows:-

Computer equipment	7 years
Plant and machinery	10 years
Fixtures, fittings and equipment	between 7 and 10 years
Motor vehicles	between 4 and 10 years

No depreciation is provided on land and buildings as in the opinion of the Directors the value of this asset is not less than its value stated in the balance sheet.

Investments

Listed investments are classified as financial instruments and accounted for in accordance with the accounting policy at fair value through profit and loss.

Impairments of fixed assets

An assessment is made at each reporting date of whether there are indications that a fixed asset may be impaired or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, the company estimates the recoverable amount of the asset or, for goodwill, the recoverable amount of the cash-generating unit to which the goodwill belongs.

Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of fair value less costs to sell and value-in-use, are recognised as impairment losses. Impairment of revalued assets are treated as a revaluation loss. All other impairment losses are recognised in profit or loss.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Reversals of impairment losses are recognised in profit or loss or, for revalued assets, as a revaluation gain. On reversal of an impairment loss, the depreciation or amortisation is adjusted to allocate the asset's revised carrying amount (less any residual value) over its remaining useful life.

TARAK MANUFACTURING COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2016

1 Accounting policies (continued)

Stock

Stocks are valued at the lower of cost and net realisable value. Cost is determined on a last in last out basis. At each reporting date, the company assesses whether stocks are impaired. Any excess of the carrying amount of stocks over its estimated selling price is recognised as an impairment loss in profit or loss.

Retirement benefits

For defined contribution schemes the amount charged to the profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current tax is based on taxable profit for the year. Taxable profit differs from total comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods. Current tax assets and liabilities are measured using the tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is not discounted.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Financial instruments

The Company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument, and are offset only when the Company currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Trade investments

Trade investments are equity investments over which the Company has no significant influence, joint control or control and are initially measured at transaction price. Transaction price includes transaction costs, except where trade investments are measured at fair value through profit or loss when transaction costs are expensed to profit or loss as incurred.

The fair value of trade investments quoted on a recognised stock exchange is the quoted bid price. The fair value of unlisted investments is measured using valuation techniques which include turnover multiple, earnings multiple, net assets or discounted cash flows, as appropriate, based on the nature and circumstances of the investment.

Financial liabilities and equity

Financial instruments are classified as liabilities and equity instruments 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.

TARAK MANUFACTURING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

1 Accounting policies (continued)

Trade creditors and other creditors

Trade and other creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Where the arrangement with a trade creditor constitutes a financing transaction, the creditor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar instrument.

2 Turnover

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

3 Employees

	2016	2015
The average number of persons	3	3
Employment costs	£	£
Wages and salaries	49,746	48,575
Social security costs	3,731	3,414
Other pension costs	1,515	1,500
	<u>54,992</u>	<u>53,489</u>

The number of directors for whom received remuneration and retirement benefits accruing under defined contribution schemes amounted to nil (2015 nil).

4 Investment Income

	2016	2015
	£	£
Dividends received	2,018	2,077
Valuation change on investments	(7,451)	8,432
	<u>(5,433)</u>	<u>10,509</u>

5 Interest Receivable and Similar Income

	2016	2015
	£	£
Bank interest	<u>3,337</u>	<u>16</u>

TARAK MANUFACTURING COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2016

6 Interest Payable and Similar Charges

	2016	2015
	£	£
Hire purchase interest	812	904
Other interest	-	132
	<u>812</u>	<u>1,036</u>

7 Operating Profit on Ordinary Activities Before Taxation

	2016	2015
	£	£
Profit on ordinary activities before taxation		
Depreciation of tangible assets	43,126	44,003
Fees payable to the company's auditors for the audit of the company's financial statements	2,000	700
(Gain)/loss on disposal of fixed assets	(6,794)	1,193
Loss on foreign exchange transactions	<u>8</u>	<u>559</u>

8 Taxation

Taxation	2016	2015
	£	£
Domestic current year tax		
U.K. corporation tax	28,429	27,956
Adjustment for prior years	<u>(435)</u>	<u>(1,198)</u>
Total current tax	27,994	26,758
Deferred tax		
Origination and reversal of timing differences	<u>(53,057)</u>	<u>(22,605)</u>
	<u>(25,063)</u>	<u>4,153</u>
Factors affecting the tax charge for the year		
Profit on ordinary activities before taxation	115,088	123,324
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.00% (2015 - 23.00%)	23,018	25,898
Non-deductible expenses	1,632	5,059
Impact of change in standard rate of tax	(25,664)	(25,606)
Adjustments to previous periods	<u>(24,049)</u>	<u>(1,198)</u>
Current tax charge for the year	<u>(25,063)</u>	<u>4,153</u>

TARAK MANUFACTURING COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2016

9 Intangible Assets

Computer Software

	£
Cost	
At 1 April 2015	42,004
Additions	415
At 31 March 2016	<u>42,419</u>
Depreciation	
At 1 April 2015	9,938
Charge for the year	3,991
At 31 March 2016	<u>13,929</u>
Net book value	
At 31 March 2016	<u>28,490</u>
At 31 March 2015	<u>32,066</u>

The amortisation charge for the year, the impairment losses and reversals of past impairment losses are recognised within administrative expenses.

10 Tangible Fixed Assets

	Land and buildings freehold	Computer equipment	Plant & machinery	Fixtures, fittings & equipment	Motor vehicles	Total £
Cost						
At 1 April 2015	2,500,000	119,093	316,885	129,218	198,264	3,263,460
Additions	-	8,766	-	-	-	8,766
Disposals	-	-	-	-	(41,900)	(41,900)
At 31 March 2016	<u>2,500,000</u>	<u>127,859</u>	<u>316,885</u>	<u>129,218</u>	<u>156,364</u>	<u>3,230,326</u>
Depreciation						
At 1 April 2015	-	29,679	295,054	87,642	126,806	539,181
Charge for the year	-	15,233	2,520	4,640	20,733	43,126
On disposals	-	-	-	-	(31,894)	(31,894)
At 31 March 2016	<u>-</u>	<u>44,912</u>	<u>297,574</u>	<u>92,282</u>	<u>115,645</u>	<u>550,413</u>
Net book value						
At 31 March 2016	<u>2,500,000</u>	<u>82,947</u>	<u>19,311</u>	<u>36,936</u>	<u>40,719</u>	<u>2,679,913</u>
At 31 March 2015	<u>2,500,000</u>	<u>89,414</u>	<u>21,831</u>	<u>41,576</u>	<u>71,458</u>	<u>2,724,279</u>

Included above are motor vehicles held under finance lease or hire purchase agreements with a net book value of £12,670 (2015 - £28,343) with depreciation charged of £6,335 (2015 - £9,448).

Land and buildings with a cost of £763,587 were revalued by Knight Frank on 11 March 2009 at a value of £2,500,000. This resulted in a revaluation reserve of £1,736,413. Given land and buildings have never been subject to depreciation if they were stated on an historical cost basis rather than a fair value basis, the amounts would have been £783,587.

TARAK MANUFACTURING COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2016

11 Investments

Shares in listed investments

	£
Valuation and net book value	
At 1 April 2015	132,581
Additions	2,015
Valuation changes	(7,450)
At 31 March 2016	<u>127,146</u>

12 Stocks

	2016	2015
	£	£
Raw materials	<u>-</u>	<u>16,445</u>

13 Debtors

	2016	2015
	£	£
Trade debtors	10,168	650
Other debtors	251	1,622
Prepayments and accrued income	12,925	620
	<u>23,344</u>	<u>2,892</u>

14 Creditors: amounts falling due within one year

	2016	2015
	£	£
Trade creditors	13,188	9,673
Amounts due to connected companies	52,360	35,547
Directors current accounts	481	481
Hire purchase	-	13,350
Accruals and deferred income	22,549	18,069
Other creditors	50	205
Other taxes and social security costs	997	19,223
Corporation tax	28,429	27,956
	<u>118,054</u>	<u>124,505</u>

TARAK MANUFACTURING COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2016

15 Provisions

	Deferred tax
	£
At 1 April 2015	244,754
Profit and loss account	<u>(53,056)</u>
At 31 March 2016	<u>191,698</u>

The deferred tax liability is expected to reverse in a period greater than 12 months and relates to accelerated capital allowances that are expected to mature over the same period and the potential tax payable if the revaluation reserve relating to the land and property held by the Company was realised through a disposal.

16 Share Capital

	2016	2015
	£	£
Allotted, issued and fully paid		
900 ordinary shares of £1 each	<u>900</u>	<u>900</u>

17 Reserves

The Profit and Loss Reserve is the cumulative profit and loss net of distribution to owners.

The Capital Redemption Reserve arose further to the company acquiring £100 of share capital from a previous shareholder using its retained distributable reserves.

The Revaluation Reserve arose further to the land and buildings being revalued as noted in note 10.

TARAK MANUFACTURING COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2016

18 Reconciliation of movement in shareholders' funds

Reconciliations on adoption of FRS 102

Profit and loss account	Note	At 31 March 2014			At 31 March 2015		
		As previously stated	Effect of transition	FRS102 (as restated)	As previously stated	Effect of transition	FRS 102 (as restated)
		£	£	£	£	£	£
Turnover		124,800	-	124,800	127,863	-	127,863
Cost of sales		(121,959)	-	(121,959)	(108,618)	-	(108,618)
Gross profit		2,841	-	2,841	19,245	-	19,245
Administrative expenses		(395,518)	-	(395,518)	(327,012)	-	(327,012)
Other operating income		432,215	-	432,215	421,602	-	421,602
Operating profit		39,538	-	39,538	113,835	-	113,835
Fair value (loss) / gain on investments	A	-	51,243	51,243	-	10,509	10,509
Interest receivable		2,326	-	2,326	16	-	16
Interest payable and similar charges		(1,589)	-	(1,589)	(1,036)	-	(1,036)
Profit on ordinary activities before taxation		40,275	51,243	91,518	112,815	10,509	123,324
Taxation		(19,748)	8,375	(11,373)	(26,433)	22,280	(4,153)
Profit on ordinary activities after taxation and profit for the year		20,527	59,618	80,145	86,382	32,789	119,171

TARAK MANUFACTURING COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2016

18 Reconciliation of movement in shareholders' funds (continued)

Reconciliations on adoption of FRS 102

Balance sheet	Note	At 1 April 2014			At 31 March 2015		
		As previously stated	Effect of transition	FRS102 (as restated)	As previously stated	Effect of transition	FRS 102 (as restated)
		£	£	£	£	£	£
Fixed assets							
Intangible assets	B	-	36,015	36,015	-	32,066	32,066
Tangible assets	B	2,776,745	(36,015)	2,740,730	2,756,345	(32,066)	2,724,279
Investments	A	70,828	51,243	122,071	72,906	59,675	132,581
		<u>2,847,573</u>	<u>51,243</u>	<u>2,898,816</u>	<u>2,829,251</u>	<u>59,675</u>	<u>2,888,926</u>
Current assets							
Stock		18,490	-	18,490	16,445	-	16,445
Debtors		297,273	-	297,273	2,892	-	2,892
Cash at bank and in hand		124,976	-	124,976	524,217	-	524,217
		<u>440,739</u>	<u>-</u>	<u>440,739</u>	<u>543,554</u>	<u>-</u>	<u>543,554</u>
Creditors: amounts falling due within one year		<u>(114,795)</u>	<u>-</u>	<u>(114,795)</u>	<u>(124,505)</u>	<u>-</u>	<u>(124,505)</u>
Net current assets		<u>325,944</u>	<u>-</u>	<u>325,944</u>	<u>419,049</u>	<u>-</u>	<u>419,049</u>
Total assets less current liabilities		<u>3,173,517</u>	<u>51,243</u>	<u>3,224,760</u>	<u>3,248,300</u>	<u>59,675</u>	<u>3,307,975</u>
Creditors: amounts falling due in more than one year		<u>(13,351)</u>	<u>-</u>	<u>(13,351)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Provision for liabilities	C	<u>(44,623)</u>	<u>(222,737)</u>	<u>(267,360)</u>	<u>(44,298)</u>	<u>(200,457)</u>	<u>(244,755)</u>
		<u>3,115,543</u>	<u>(171,494)</u>	<u>2,944,049</u>	<u>3,204,002</u>	<u>(140,782)</u>	<u>3,063,220</u>
Capital and reserves							
Share capital		900	-	900	900	-	900
Revaluation reserve		1,736,413	-	1,736,413	1,736,413	-	1,736,413
Other reserves		100	-	100	100	-	100
Profit and loss		<u>1,378,130</u>	<u>(171,494)</u>	<u>1,206,636</u>	<u>1,466,589</u>	<u>(140,782)</u>	<u>1,325,807</u>
		<u>3,115,543</u>	<u>(171,494)</u>	<u>2,944,049</u>	<u>3,204,002</u>	<u>(140,782)</u>	<u>3,063,220</u>

TARAK MANUFACTURING COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2016

18 Reconciliation of movement in shareholders' funds (continued)

A – Fair value of investments

Under FRS102, the directors have chosen to include listed investments at market value that were previously recognised at cost under previous FRSE.

B – Reclassification of computer software as intangible asset

Under FRS102, the directors have chosen to reclassify software costs as intangible assets that were previously recognised as tangible assets under previous FRSE.

C – Recognition of deferred tax liability on property assets

Under FRS102, the directors have chosen to recognize a deferred tax liability in recognition of the tax liability that would arise on the disposal of its property assets that was not previously recognised under previous FRSE.

19 Related party transactions

The directors of Tarak Manufacturing Limited are also directors and shareholders of the following companies with which they traded during the year and are considered to be related parties due to a common controlling board of directors:

	Tarak Retail Limited	Tarak International Limited	Kast Retail Limited	Firstbay Limited
Tarak Ramzan	Director only	Both	Both	Both
Sheraz Ramzan	Director only	Both	Both	Neither
Omar Aziz	Director only	Both	Both	Neither
Kasim Akram	Director only	Both	Shareholder only	Neither
Nusrat Ramzan	Neither	Both	Director only	Neither

Tarak Manufacturing Limited provided administrative and property service to both Tarak Retail Limited, Tarak International Limited and Kast Retail Limited. The amounts of the transactions and balances due to and from the related parties during the year and at the year end are:

	Sales To		Purchase From	
	2016	2015	2016	2015
	£	£	£	£
Tarak Retail	-	3,348	-	-
Kast Retail Limited	402,282	56,412	-	8,480
Tarak International	80,000	-	-	-
	<hr/>			
	Balance Owed To		Balance Due From	
	2016	2015	2016	2015
	£	£	£	£
Tarak Retail	25,000	25,000	-	-
Kast Retail Limited	16,813	-	-	-
Tarak International	10,547	10,547	-	-

There was a balance on the Directors Loan Account due to Tarak Ramzan of £481 (2015 £481).