

AVT TEA SERVICES LIMITED

COMPANY REGISTRATION NUMBER : 08176881

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2018

**2nd FLOOR
HEATHMANS HOUSE
19 HEATHMANS ROAD
LONDON
SW6 4TJ**

**AVT TEA SERVICES LIMITED
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FOR THE YEAR ENDING 31 MARCH 2018

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**AVT TEA SERVICES LIMITED
COMPANY INFORMATION**

FOR THE YEAR ENDING 31 MARCH 2018

Directors:	Mr. Richard Darlington Mr. Ajit Thomas
Company No:	08176881 (England and Wales)
Registered Office:	2nd Floor Heathmans House 19 Heathmans Road London SW6 4TJ
Auditors:	Reza Samii Chartered Accountant and Statutory Auditor 5 Calico Row Plantation Wharf London SW11 3YH
Bankers:	HSBC Bank Plc 240 Lavender Hill Clapham Junction London SW11 1LH

AVT TEA SERVICES LIMITED
(Company Registration No: 08176881)
DIRECTORS' REPORT

FOR THE YEAR ENDING 31 MARCH 2018

The directors present their report together with the audited accounts for the year ending 31st March 2018.

PRINCIPAL ACTIVITIES:

The principal activity of the company is the manufacture and supply of decaffeinated tea and tea extracts to the tea industry and beverage market.

DIRECTORS AND THEIR SHAREHOLDINGS:

The directors who served the company during the year were as follows:

Mr. Richard Darlington
Mr. Ajit Thomas

STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITORS:

The directors of the company who held office at the date of approval of this Annual Report as set out above each confirm that:

* so far as they are aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and

* they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

DIRECTORS' STATEMENTS OF RESPONSIBILITY IN RELATION TO THE ACCOUNTS:

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (UK GAAP).

Company law requires the directors to prepare financial statements for each financial period which 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 judgments and estimates that are reasonable and prudent;
- * state whether applicable 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.

DIRECTORS' REPORT CONTINUED ON PAGE 3

AVT TEA SERVICES LIMITED
(Company Registration No: 08176881)
DIRECTORS' REPORT (Continued)

FOR THE YEAR ENDING 31 MARCH 2018

DIRECTORS' STATEMENTS OF RESPONSIBILITY IN RELATION TO THE ACCOUNTS (Continued):

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and that 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.

AUDITORS:

Mr. Samii has expressed his willingness to continue in office and he is deemed to be reappointed under Section 487(2) of the Companies Act 2006.

SMALL COMPANY REGIME:

This report has been prepared taking advantage of the exemptions for small companies within Part 15 of the Companies Act 2006.

This report was approved by the board on 10th May 2018 and signed on its behalf:

Mr. Richard Darlington  Director

Date: 10th May 2018

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF
AVT TEA SERVICES LIMITED**

FOR THE YEAR ENDING 31 MARCH 2018

We have audited the financial statements of AVT Tea Services Limited on pages 6 to 17 for the year ended 31 March 2018 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cashflows and related notes. 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 Auditors:

As explained more fully in the Directors' Responsibilities Statement, 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 Practice Board's Ethical Standards for Auditors, including "APB Ethical Standard - Provisions Available for Small Entities (Revised)", in the circumstances set out in note (13) to the financial statements.

Scope of the audit of the financial statements:

A description of the scope of an audit of financial statements is provided on the FRC'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 31 March 2018 and of its loss for the year then ended;

- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and

- have been properly prepared in accordance with the requirements of the Companies Act 2006.

INDEPENDENT AUDITOR'S REPORT CONTINUED ON PAGE 5....

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF
AVT TEA SERVICES LIMITED**

FOR THE YEAR ENDING 31 MARCH 2018

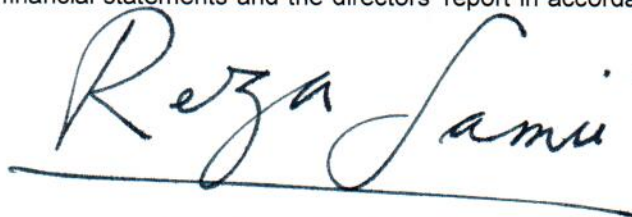
Opinion on other matters prescribed by the Companies Act 2006:

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.

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; or
- in the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have identified material misstatements in the directors' report; or
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small company's regime.



REZA SAMII ACA (Senior Statutory Auditor)

Date: 10th May 2018.

**Reza Samii
Chartered Accountant and
Registered Auditor.**

Firm no. 7390233

**5 Calico Row
Plantation Wharf
Battersea, London
SW11 3YH**

AVT TEA SERVICES LIMITED
STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDING 31 MARCH 2018

	Notes	From 1.04.17 to 31.03.2018 £	From 1.04.16 to 31.03.2017 £
Turnover	1 (e)	12,444,620	8,496,383
Cost of sales		(11,632,474)	(7,832,626)
Gross profit		812,146	663,757
Less: expenditure			
Distribution expenses		(247)	(2,093)
Administrative expenses		(549,287)	(710,571)
Operating profit / (loss)	3	262,612	(48,907)
Interest receivable and similar income		20,379	0
Interest payable	3	(87,813)	(47,725)
Profit / (loss) on ordinary activities before taxation	3	195,178	(96,631)
Taxation - (Debit) / credit	4	(3,872)	0
Retained (loss) / profit for the financial year after taxation		191,306	(96,631)
Dividends for the year		0	0
		191,306	(96,631)
Reserves brought forward		(1,075,701)	(979,070)
Reserves carried forward		(884,395)	(1,075,701)

All the activities of the company are from continuing operations.

The Notes part of these financial statements

AVT TEA SERVICES LIMITED
STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2018

		<u>31 March 2018</u>		<u>31 March 2017</u>	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	5		3,058		3,045
CURRENT ASSETS					
Investment	6	602		602	
Stocks	7	646,475		1,756,514	
Debtors	8	1,817,672		1,801,157	
Cash at bank and in hand		264,255		579,736	
		2,729,004		4,138,009	
CREDITORS : Amounts falling due within one year	9	(2,616,457)		(4,216,755)	
NET CURRENT ASSETS / (LIABILITIES)			112,547		(78,746)
NET ASSETS / (LIABILITIES)			115,605		(75,701)
 CAPITAL AND RESERVES:					
Called up shared capital	10		1,000,000		1,000,000
Profit and loss account			(884,395)		(1,075,701)
Equity shareholders' funds / (deficits)			115,605		(75,701)

The financial statements, which have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006, were approved by the board of directors on 10th May 2018 and signed on its behalf.

Mr. Richard Darlington..........Director

Company No 08176881 (England and Wales)

AVT TEA SERVICES LIMITED
STATEMENT OF CHANGES IN EQUITY

AS AT 31 MARCH 2018

	Called up share capital	Profit & loss account	Total
	£	£	£
At 1 April 2016	1,000,000	(979,070)	20,930
Total comprehensive income / (loss) for the year	0	(96,631)	(96,631)
Issue of equity shares during year	0	0	0
	<hr/>	<hr/>	<hr/>
At 31 March 2017	1,000,000	(1,075,701)	(75,701)
Total comprehensive income / (loss) for the year	0	191,306	191,306
	<hr/>	<hr/>	<hr/>
At 31 March 2018	1,000,000	(884,395)	115,605

The Notes part of these financial statements

AVT TEA SERVICES LIMITED
CASH FLOW STATEMENT

AS AT 31 MARCH 2018

	2018 £	2017 £
Net cash inflow / (outflow) from operating activities (see below)	(244,856)	(67,306)
Returns on investments and servicing of finance		
Interest paid	(87,813)	(47,725)
Interest received	20,379	0
	(67,434)	(47,725)
Capital expenditure		
Payments to acquire tangible fixed assets	(3,191)	(5,357)
	(315,481)	(120,387)

NOTES TO CASH FLOW STATEMENT:

	2018 £	2017 £
Reconciliation of operating losses to net cash inflow / (outflow) from operations		
Operating profit / (loss) before interest	262,612	(48,907)
Depreciation of tangible assets	3,178	3,262
Decrease / (increase) in debtors	(16,515)	202,877
(Decrease) / increase in creditors	(1,604,170)	(427,431)
Decrease / (increase) in stock	1,110,039	202,892
Net cash inflow / (outflow) from operating activities	(244,856)	(67,306)

	<u>1.04.2017</u>	<u>Cash flow</u>	<u>31.03.2018</u>
	£	£	£
Analysis of net funds			
Cash at bank and in hand	579,736	(315,481)	264,255
	579,736	(315,481)	264,255

AVT TEA SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDING 31 MARCH 2018

1 . GENERAL INFORMATION:-

The company is a wholly owned subsidiary of AVT Natural Products Limited, a company incorporated in India and listed on Bombay Stock Exchange and the National Stock Exchange of India.

The registered address of AVT Tea Services Limited is: 2nd Floor, Heathmans House, 19 Heathmans Road, London, SW6 4TJ.

2 . STATEMENT OF COMPLIANCE:

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

3 . ACCOUNTING POLICIES:-

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the company accounts.

a) BASIS OF PREPARATION:

The financial statements have been prepared on the historical cost basis.

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

b) TRANSITION TO FRS 102:

The entity transitioned from previous UK GAAP to FRS 102 as at 1st April 2015.

c) GOING CONCERN:

The financial statements have been prepared on the going concern basis, which assumes that the company will continue in operational existence for the foreseeable future. AVT Natural Products Limited, the sole shareholder, has undertaken to provide financial support for the foreseeable future.

d) CONSOLIDATION:

The company is exempt from the requirement to produce consolidated accounts on the basis that the company is a wholly owned subsidiary of AVT Natural Products Limited and its accounts are included in the consolidated accounts of the parent company.

e) TURNOVER:

Turnover is stated net of VAT and trade discounts. Turnover from the sale of goods is recognized when the goods are physically delivered to the customer. Turnover from the supply of services represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the value of the consideration due. Where a contract has only been partially completed at the balance sheet date turnover represents the value of services provided to date based on a proportion of the total contract value. Where payments are received in advance of services provided, the amounts are recorded as Deferred Income and included as part of Creditors due within one year.

AVT TEA SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDING 31 MARCH 2018

f) STOCKS:

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Goods in transit to the company are not recognized in stock unless title for goods has passed to the company. Contracted liabilities associated with the purchase of goods in transit are recognized in trade creditors where it is deemed that the title has passed to the company.

g) TANGIBLE FIXED ASSETS:

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Leasehold improvements	- 33% straight line (lease expires on 20.03.2025 with option to terminate on 20.03.2020)
Fixtures and fittings	- 20% straight line
Office equipment	- 33% straight line

h) OPERATING LEASE AGREEMENTS:

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profit on a straight line basis over the period of the lease.

i) PENSION COSTS:

The company operates a defined contribution pension scheme for the employees. The assets for the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

j) DEFERRED TAXATION:

Deferred tax is recognized in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:-

Deferred tax assets are recognized only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantially enacted at the balance sheet date.

AVT TEA SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDING 31 MARCH 2018

k) FOREIGN CURRENCY TRANSLATION:

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transactions. All differences are taken into profit and loss account.

l) HOLIDAY PAY ACCRUAL:

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

2 . TURNOVER:-

Overseas turnover amounted to 81.94% (2017: 85.31%) of the total turnover for the year.

3 . OPERATING RESULTS:-

The operating results are stated after charging:

	£	£
	31.03.2018	31.03.2017
Directors' remuneration	148,040	148,040
Staff Pension Contributions	15,715	21,368
Audit fees	5,172	5,000
Depreciation charges - note 5	3,178	3,262
Net Loss/(profit) on foreign currency translation	<u>(86,645)</u>	<u>124,303</u>

Employee information and costs:-

Number of employees

The average monthly number of employees during the year was:

	2018	2017
	Number	Number
Selling and distribution	3	4
Management - directors	2	2
	<u>5</u>	<u>6</u>

Employment costs

Wages and salaries including directors', employer NIC and pension contributions net of recharges

	£	£
	495,843	453,401
	<u>495,843</u>	<u>453,401</u>

Interest payable and similar charges

Interest charges
Facility charges

	£	£
	72,813	33,041
	15,000	14,684
	<u>87,813</u>	<u>47,725</u>

AVT TEA SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDING 31 MARCH 2018

4 . CORPORATION TAX:-	£ 31.03.2018	£ 31.03.2017
UK corporation tax at 19.00% (2017: 20.00%)	3,872	<i>0</i>
Over provision in respect of prior years	0	<i>0</i>
Deferred tax charge / (credit)	0	<i>0</i>
	<hr/> 3,872 <hr/>	<hr/> <i>0</i> <hr/>

Factors effecting the tax charge for the year

Profit / (Loss) on ordinary activities before taxation	195,178	<i>(96,631)</i>
Profit / (Loss) on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19.00% (2017: 20.00%)	37,084	<i>(19,326)</i>
Current tax on disallowable expenditure for period @ 19%	1,283	<i>1,193</i>
Current tax on difference between capital allowances and depreciation charges for period @ 19%	(2)	<i>469</i>
Adjustment in respect of losses carried forward @ 19%	(34,493)	<i>17,664</i>
Current tax charge as above	<hr/> 3,872 <hr/>	<hr/> <i>0</i> <hr/>

Factors affecting future tax charge

At 31st March 2018 the company had tax losses of £882,429 to carry forward and offset against future profits.

AVT TEA SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDING 31 MARCH 2018

5 .TANGIBLE FIXED ASSETS:-	Leasehold Improve- ments £	Office Equipment £	Fixtures & fittings £	Total £
Cost or valuation:				
Balance as at 01.04.2017	3,308	12,512	4,863	20,683
Additions during the year	0	3,191	0	3,191
Disposals in respect of fully depreciated items	0	0	0	0
As at 31.03.2018	3,308	15,703	4,863	23,874
Depreciation:				
Balance as at 01.04.2017	3,308	9,994	4,336	17,638
Charge for the year	0	2,650	528	3,178
Disposals in respect of fully depreciated items	0	0	0	0
As at 31.03.2018	3,308	12,644	4,864	20,816
Net Book Value as at 31.03.2018	0	3,059	(1)	3,058
Net Book Value as at 31.03.2017	0	2,518	527	3,045
6 .INVESTMENTS:-			£ 31.03.2018	£ 31.03.2017
Investment in Subsidiary			<u>602</u>	<u>602</u>
7 .STOCKS:-			£ 31.03.2018	£ 31.03.2017
Stocks of goods for resale at cost			<u>646,475</u>	<u>1,756,514</u>

During the year 2014-15, the company set up a subsidiary in the United States of America. The investment represents 100% of the share capital and is stated at cost. The subsidiary has since remained dormant.

AVT TEA SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDING 31 MARCH 2018

	£ 31.03.2018	£ 31.03.2017
8 .DEBTORS:-		
Trade debtors	1,203,622	1,141,841
Amounts due from associated undertakings (see note 12)	238,986	235,859
Loans & advances	356,506	400,513
VAT Recoverable	3,309	4,343
Prepayments	7,040	16,646
Other debtor	7,316	1,062
Security deposit	893	893
	<u>1,817,672</u>	<u>1,801,157</u>

The debtors above include the following amounts falling due after more than one year:

	£ 31.03.2018	£ 31.03.2017
Other Debtors	<u>893</u>	<u>893</u>

	£ 31.03.2018	£ 31.03.2017
9 .CREDITORS-amounts falling due within one year:-		
Bank loans	1,399,713	1,904,800
Trade creditors	12,218	282,901
Amounts owed to associated undertakings (see note 12)	1,150,125	1,983,924
Other taxation and social security	15,306	10,073
Corporation tax	3,872	0
Other Creditors	35,223	35,057
	<u>2,616,457</u>	<u>4,216,755</u>

The bank loans and overdrafts are secured by a fixed and floating charge dated 21st October 2016 against the assets of the company both present and future.

	Number 31.03.2018	Number 31.03.2017
10 . CALLED UP SHARE CAPITAL:-		
Allotted, called-up and fully paid: Ordinary shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>

AVT TEA SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDING 31 MARCH 2018

11 . FINANCIAL COMMITMENTS

At 31st March 2018 the company had annual commitments under non - cancellable leases as follows:-

	2018	<i>2017</i>
Operating leases - office rent expiring:	£	<i>£</i>
Between 1 and 5 years	28,160	<i>28,160</i>
	28,160	<i>28,160</i>

12 . RELATED PARTY TRANSACTIONS:-

AVT Natural Products Ltd

The company's immediate and ultimate parent throughout the current period was AVT Natural Products Limited, a company incorporated in India and listed on the Bombay Stock Exchange and the National Stock Exchange of India.

During the year the company entered into the following transactions with AVT Natural Products Ltd. Sales of £1,263,623 (2017: £1,395,292); Other Income £30,767 (2017: £34,427), Purchases of £7,950,499 (2017: £6,772,942); Recharged costs of £60,515 (2017: £60,464).

The balances outstanding as at 31st March 2018 were a debtor balance of £238,986 (2017: £235,859) and a creditor balance of £1,136,125 (2017: £1,983,924).

AVT Leather Inc.

During the year the company was charged a sum of £144,515 by AVT Leather Inc, a company incorporated in USA towards services provided in USA.

The creditor balance due to AVT Leather Inc as at 31st March 2018 amounted to £14,000.

Serica Tea Limited / The Darlington Tea Company Limited

The company is related to the above through its director Mr. Richard Darlington. During the year the company entered into the following transactions with the above:-

Serica Tea Limited: Sales £NIL (2017: £6,096), Purchases £19,200 (2017: £96,524). There were no outstanding balances as at 31st March 2018.

The Darlington Tea Company Limited: Commission receivable £NIL (2017: £6,441), Recharged costs £28,972 (2017: £30,248). The balance as at 31st March 2018 was a debtor balance of £6,058 (2017: £NIL).

The company is under the ultimate control of Mr. Ajit Thomas by virtue of his controlling interest in a number of companies that, taken together, exercise control over AVT Natural Products Limited.

13 . SERVICES PROVIDED BY AUDITORS

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

AVT TEA SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDING 31 MARCH 2018

14 . TRANSITION TO FRS 102

The Company transitioned to FRS 102 on 1 April 2015.

AVT TEA SERVICES LIMITED
DETAILED INCOME STATEMENT

FOR THE YEAR ENDING 31 MARCH 2018

	Y/E 31 March 2018		Y/E 31 March 2017	
	£	£	£	£
TURNOVER				
Sales	12,413,853		8,440,284	
Other Income	<u>30,767</u>		<u>56,099</u>	
		12,444,620		8,496,383
 COST OF SALES:				
Opening stock	1,756,514		130,459	
Purchases	10,440,231		9,392,793	
Storage Rent & Transportation	57,174		60,879	
Sample testing charges	25,030		5,009	
Closing stock	<u>(646,475)</u>		<u>(1,756,514)</u>	
		<u>(11,632,474)</u>		<u>(7,832,626)</u>
 GROSS PROFIT	6.53%	812,146	7.81%	663,757
 DISTRIBUTION EXPENSES:				
Sales Commission	<u>247</u>		<u>2,093</u>	
		(247)		(2,093)
 ADMINISTRATIVE EXPENSES:				
Rent & Rates	17,806		14,018	
Service Charges	5,604		8,254	
Water expenses	161		292	
Light and Heat	32		1,559	
General Office Expenses	1,541		6,721	
Cleaning charges	<u>1,530</u>		<u>1,590</u>	
- Establishment expenses		(26,674)		(32,434)
Director's remuneration	148,040		148,040	
Wages and salaries - UK staff	169,453		187,457	
- US staff	141,515		109,753	
Redundancy payment	30,000		0	
Employer's NIC incl. director - UK	28,803		25,425	
UK Pension	22,831		29,670	
Less: recharges to related undertakings	<u>(60,514)</u>		<u>(68,312)</u>	
Employee Health Insurance	15,715		21,368	
Staff welfare	495		0	
Advertisement & Publicity	726		871	
Audit fees including corporation tax works	5,172		5,000	
Courier charges	745		7,803	
Domestic travel	18,310		4,389	
Foreign travel	7,895		23,915	
Foreign travel US	31,876		12,966	
Entertainment Expenses	6,754		5,965	
Insurance charges	665		351	
Internet charges	<u>0</u>		<u>1,717</u>	
 C/F TO THE NEXT PAGE	568,481	785,225	516,378	629,230

This page does not form part of the statutory accounts.

AVT TEA SERVICES LIMITED
DETAILED INCOME STATEMENT

FOR THE YEAR ENDING 31 MARCH 2018

B/F FROM PREVIOUS PAGE	568,481	785,225	516,378	629,230
Legal expenses	350		0	
Meeting expenses	134		0	
Printing and stationery	5,660		929	
Professional fees	2,723		7,886	
Stock insurance	0		899	
Subscription charges	10,152		5,008	
Telephone expenses	3,143		6,214	
Provision for bad and doubtful debts	0		1,634	
Penalties	0		200	
Depreciation charges	3,178		3,262	
		(593,821)		(542,410)
FINANCIAL COSTS:				
Bank charges	15,437		11,423	
Exchange gain / loss	(86,645)		124,303	
		71,208		(135,726)
		262,612		(48,906)
Interest receivable		20,379		0
Interest charges		(72,813)		(33,041)
Facility charges		(15,000)		(14,684)
PROFIT / (LOSS) FOR THE YEAR		195,178		(96,631)

**AVT TEA SERVICES LIMITED
CORPORATION TAX COMPUTATION**

FOR THE YEAR ENDING 31 MARCH 2018

	£	£
Profit / (Loss) per accounts		195,178
Add: Depreciation charges	3,178	
Entertaining expenses	6,754	
Less: Interest received	(20,379)	
Capital Allowances - see below	<u>(3,191)</u>	
		(13,638)
Trading profit / (loss) for the year		<u>181,540</u>
Trading losses B/F		(1,063,969)
Trading losses C/F as at 31.03.2018		<u><u>(882,429)</u></u>
Interest received for the year		20,379
Corporation tax payable at 19%		<u><u>3,872</u></u>

	General pool £	Allowances £
Capital allowances computations:		
Written down value B/F	0	
Written down allowance @ 18%	0	0
Additions during year - computer & office equipment		
Additions during year - furniture, fixtures & fittings	3,191	
	<u>0</u>	
	3,191	
Less: Annual Investment Allowance		3,191
	<u>(3,191)</u>	
	0	
Written down value C/F @ 31.03.2018	<u><u>0</u></u>	<u><u>3,191</u></u>