

Registered number
00107165

Noyapara Tea Company, Limited(The)

Report and Accounts

31 December 2018



Noyapara Tea Company, Limited(The)
Report and accounts
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**Noyapara Tea Company, Limited(The)
Company Information**

Directors

David Charles The Lord Evans of Watford - appointed on 1 April 2019

A Karim

M M Khan

N Khan

Secretary

R&B Management Consultancy Ltd

Auditors

DeanCoopers

Suite 4, Cranbrook House

61 Cranbrook Road

Ilford

Essex

IG1 4PG

Registered office

7a Bryanston Mews East

London

W1H 2DB

Registered number

00107165

Noyapara Tea Company, Limited(The)
Registered number: 00107165
Directors' Report

The directors present their report and accounts for the year ended 31 December 2018.

Principal activities

The company's principal activity in the year under review was that of the cultivation of tea in Bangladesh.

Directors

The following persons served as directors during the year:

David Charles The Lord Evans of Watford
A Karim
M M Khan
N Khan

Directors' responsibilities

The directors are responsible for preparing the report and accounts in accordance with applicable law and regulations.

Company law requires the directors to prepare accounts for each financial year. Under that law the directors have elected to prepare the accounts 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 accounts unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts 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 accounts 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.

Disclosure of information to auditors

Each person who was a director at the time this report was approved 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, Deancoopers will be proposed for re-appointment at the forthcoming annual general meeting

Small company provisions

This report has been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

This report was approved by the board on 12/12/19 and signed on its behalf.


Manzur Morshed Khan
Director

**Noyapara Tea Company, Limited(The)
Independent auditors' report
to the members of Noyapara Tea Company, Limited(The)**

We have audited the accounts of Noyapara Tea Company, Limited(The) for the year ended 31 December 2018 which comprise the Profit and Loss Account, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the 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 FRB 102 'The Financial Reporting Standard applicable in the UK and the 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 directors and auditors

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the accounts 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.

In accordance with the exemption provided by APB Ethical Standard - Provisions Available for Smaller Entities (Revised), we have prepared and submitted the company's returns to the tax authorities and assisted with the preparation of the accounts.

Scope of the audit of the accounts

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

Opinion on the accounts

In our opinion the accounts:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

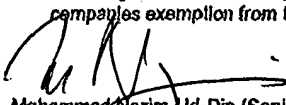
Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the accounts are prepared is consistent with the accounts.

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 accounts 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
- the directors were not entitled to prepare the accounts in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.


Mohammad Nazim-Ud-Din (Senior Statutory Auditor)
For and on behalf of DeanCoopers LLP
Suite 4, Cranbrook House
61 Cranbrook Road
Ilford
Essex
IG1 4PG

12-12-2019

Noyapara Tea Company, Limited(The)
Profit and Loss Account
for the year ended 31 December 2018

	2018 £	2017 £
Turnover	1,180,118	1,110,585
Cost of sales	(890,197)	(1,027,552)
Gross profit	289,921	83,033
Administrative expenses	(42,449)	(41,854)
Other operating income	1,255	-
Operating profit	248,727	41,179
Interest payable	(123,784)	(145,588)
Profit/(loss) on ordinary activities before taxation	124,943	(104,409)
Tax on profit/(loss) on ordinary activities	15,411	77
Profit/(loss) for the financial year	140,354	(104,332)

Continuing operation

None of the company's activities were acquired or discontinued during the current year or previous year.

The notes form part of these financial statements

Noyapara Tea Company, Limited(The)
Statement of comprehensive income
for the year ended 31 December 2018

	2018	2017
	£	£
Profit/(loss) for the financial year	140,354	(104,332)
Foreign currency differences	57,462	(113,130)
Other comprehensive income		
Total comprehensive income for the year	<u>197,816</u>	<u>(217,462)</u>

Noyapara Tea Company, Limited(The)
Registered number: 00107165
Balance Sheet
as at 31 December 2018

	Notes	2018 £	2017 £
Fixed assets			
Tangible assets	7	1,737,477	1,647,317
Current assets			
Stocks		328,156	331,513
Debtors	9	150,143	250,892
Investments held as current assets		887	841
Cash at bank and in hand		35,341	31,466
		<u>512,627</u>	<u>614,712</u>
Creditors: amounts falling due within one year	10	(679,019)	(858,304)
Net current liabilities		<u>(166,492)</u>	<u>(243,592)</u>
Total assets less current liabilities		<u>1,570,985</u>	<u>1,403,725</u>
Creditors: amounts falling due after more than one year	11	(361,662)	(387,117)
Provisions for liabilities	18	(157,442)	(162,543)
Net assets		<u>1,051,881</u>	<u>854,065</u>
Capital and reserves			
Called up share capital		165,000	165,000
Profit and loss account		886,881	689,065
Shareholders' funds		<u>1,051,881</u>	<u>854,065</u>

The accounts have been prepared and delivered in accordance with the special provisions applicable to companies subject to the small companies regime. The profit and loss account has not been delivered to the Registrar of Companies.


Manzur Morshed Khan
Director

Approved by the board on ...12/12/19

The notes form part of these financial statements

Noyapara Tea Company, Limited(The)
Statement of Changes In Equity
for the year ended 31 December 2018

	Share capital £	Share premium £	Re- valuation reserve £	Profit and loss account £	Total £
At 1 January 2017	165,000	-	-	906,527	1,071,527
Loss for the financial year				(104,332)	(104,332)
Foreign currency differences				(113,130)	
Other comprehensive Income for the financial year	-	-	-	(113,130)	(113,130)
Total comprehensive Income for the financial year	-	-	-	(217,462)	(217,462)
At 31 December 2017	<u>165,000</u>	<u>-</u>	<u>-</u>	<u>689,065</u>	<u>854,065</u>
At 1 January 2018	165,000	-	-	689,065	854,065
Profit for the financial year				140,354	140,354
Foreign currency differences				57,462	
Other comprehensive Income for the financial year	-	-	-	57,462	57,462
Total comprehensive Income for the financial year	-	-	-	197,816	197,816
At 31 December 2018	<u>165,000</u>	<u>-</u>	<u>-</u>	<u>886,881</u>	<u>1,051,881</u>

Noyapara Tea Company, Limited(The)
Notes to the Accounts
for the year ended 31 December 2018

1 Accounting policies

Basis of preparation

After making enquiries, the directors, have a reasonable expectation that the company has adequate resources to continue in operation existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

The accounts have been prepared under the historical cost convention and in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (as applied to small entities by section 1A of the standard).

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.

Tangible fixed assets

Tangible fixed assets are measured at cost less accumulative depreciation and any accumulative impairment losses. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Building	5% on reducing balance
Plant and machinery	at variable rates on reducing balance

Tangible fixed assets other than non-depreciable land are reviewed for impairment at the end of the reporting period when either: a) no depreciation charge is made on the grounds that it would be immaterial either because of the length of the estimated remaining useful economic life or because the estimated residual value of the asset is not materially different from the carrying amount of the asset; b) the estimated useful economic life of the asset exceeds fifty years.

Investments

Listed investments are measured at fair value. Changes in fair value are included in the profit and loss account.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell after making due allowance for obsolete and slow moving items.

Debtors

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts.

Creditors

Short term creditors are measured at transaction price (which is usually the invoice price). Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

Noyapara Tea Company, Limited (Tte)
Notes to the Accounts
for the year ended 31 December 2018

Taxation

A current tax liability is recognised for the tax payable on the taxable profit of the current and past periods. A current tax asset is recognised in respect of a tax loss that can be carried back to recover tax paid in a previous period.

Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference, except for revalued land and investment property where the tax rate that applies to the sale of the asset is used.

Current and deferred tax assets and liabilities are not discounted.

Foreign currency translation

The branch account with Bangladesh is translated into sterling at the exchange rate ruling at the balance sheet date. The exchange difference that arises from that translation is taken to the statement of total recognised gains and losses.

The transactions in the profit and loss account are converted at the average rate of the year. The exchange difference that arises from that translation is taken to the profit and loss account.

Bangladesh exchange control

No monies can be remitted from Bangladesh to the UK without Bangladesh exchange control consent as given for "Sterling Tea Estate Companies" for profit remittances and in accordance with the terms provided by the Bangladesh Bank Exchange Control Department.

2	Turnover	2018	2017
	Turnover, by origin and by destination is all in Bangladesh	1,180,118	1,110,585
3	Operating profit	2018	2017
		£	£
	The operating profit is stated after charging:		
	Depreciation of owned fixed assets	40,026	48,415
	Loss on disposal of fixed asset	-	-
	Auditors' remuneration	4,283	3,448
	Foreign exchange loss/(gain)	-	584
	The company employed 825 workers (2017: 856) during the year which included 4 executives, 19 staff and rest registered field workers.		
4	Interest Payable	2018	2017
		£	£
	Bank interest	123,784	145,588

Noyapara Tea Company, Limited(The)
Notes to the Accounts
for the year ended 31 December 2018

6 Audit Information

The audit report is unqualified.

Senior statutory auditor: **Mohammad Nazim-Ud-Din**
Firm: **DeanCoopers**
Date of audit report:

6 Taxation	2018	2017
	£	£
Analysis of charge in period		
Current tax:		
Foreign corporation tax on profits of the period	(2,814)	6,685
Deferred tax:		
Origination and reversal of timing differences	(12,597)	(6,762)
Tax on loss on ordinary activities	(15,411)	(77)

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:

	2018	2017
	£	£
Profit/(loss) on ordinary activities before tax	124,943	(104,409)
Standard rate of corporation tax in the UK	19%	19%/20%
	£	£
Profit on ordinary activities multiplied by the standard rate of corporation tax of 19% (19% from April 2017 and 20% till March 2017).	23,739	-
Effects of:		
Expenses not deductible for tax purposes	1,217	548
Capital allowances for period in excess of depreciation	-	-
Foreign tax charge	(2,814)	8,685
Unremittable income	(24,956)	(548)
Utilisation of tax losses brought forward	-	-
Current tax charge for period	(2,814)	8,685

Factors that may affect future tax charges

The company's principal activity is solely in Bangladesh and is subject to local taxes. The company has claimed under CTA 2009 s 1275 in respect of unremittable Bangladesh income.

Noyapara Tea Company, Limited(The)
Notes to the Accounts
for the year ended 31 December 2018

7 Tangible fixed assets

	Land and buildings £	Plant and machinery etc £	Total £
Cost			
At 1 January 2018	1,555,821	789,313	2,355,134
Exchange difference	73,101	16,843	
Additions	126,233	8,683	132,816
Disposals/Transfers	-	(9,452)	(9,452)
At 31 December 2018	<u>1,755,155</u>	<u>812,287</u>	<u>2,567,442</u>
Depreciation			
At 1 January 2018	201,931	505,887	707,818
Charge for the year	10,135	32,005	42,140
On disposals/Transfers	80,007	-	80,007
At 31 December 2018	<u>292,073</u>	<u>537,892</u>	<u>829,965</u>
Net book value			
At 31 December 2018	<u>1,463,082</u>	<u>274,395</u>	<u>1,737,477</u>
At 31 December 2017	<u>1,353,890</u>	<u>293,426</u>	<u>1,647,316</u>

Currency exchange differences for cost of land & building and plant & machinery and depreciation for these are netted off due to being immaterial.

Only the buildings element included in land and buildings, with a net book value of £192,561(2017: £205,851) has been depreciated.

The land is situated in Bangladesh and comprises a tea estate on which all other assets are situated.

The land in Bangladesh on which the estates are situated are held on 40 years leases which expire on 14 August 2047. The leases were renewed with the government of Bangladesh and the new deed was signed on 29 October 2011.

8 Stocks	2018	2017
	£	£
Raw materials and consumables	120,836	143,232
Finished goods and goods for resale	<u>205,321</u>	<u>188,281</u>
	<u>326,156</u>	<u>331,513</u>
9 Debtors	2018	2017
	£	£
Trade debtors	70,941	55,382
Other debtors	<u>79,202</u>	<u>195,510</u>
	<u>150,143</u>	<u>250,892</u>

Noyapara Tea Company, Limited(The)
Notes to the Accounts
for the year ended 31 December 2018

10 Creditors: amounts falling due within one year	2018 £	2017 £
Bank loans and overdrafts	134,697	89,888
Trade creditors	420,623	118,970
Corporation tax	-	8,012
Other creditors	123,899	643,658
	<u>679,019</u>	<u>858,304</u>

11 Creditors: amounts falling due after one year	2018 £	2017 £
Bank loans	<u>381,662</u>	<u>387,117</u>

12 Loans	2018 £	2017 £
An analysis of maturity of loans is given below:		
Amount falling due within one year - Bank overdraft	<u>60,427</u>	<u>41,577</u>
Amount falling due within one year - Bank loan	<u>74,270</u>	<u>48,089</u>
Amount falling due within 2 - 5 years - Bank loan	361,662	387,117
Repayable by instalment - Interest rate was 9% to 11.5%		

Lender: Bangladesh Krishi Bank, Corporate Branch, Chittagong

Purpose: To import machineries, accessories, spare parts from local and overseas sources, replanting of tea plants and extension of factory buildings, culverts, labour and staff quarters, etc.

Interest rate: Interest rate was 9% to 11.50%

Security: This loan and outstanding development loan are secured against a preferential claim on the entire assets of the company.

The Overdraft facility is secured against the entire quantity of tea produced in 2018 and there after until the said is repaid. Interest is charged @ 11.5% from 15/02/2018 on the overdraft balance.

13 Deferred taxation	2018 £	2017 £
Accelerated capital allowances	<u>157,442</u>	<u>162,543</u>

	2018 £	2017 £
At 1 January	162,543	191,212
Credited to the profit and loss account	(12,697)	(8,178)
Charged/(credited) to other comprehensive income	7,496	(22,491)
At 31 December	<u>157,442</u>	<u>162,543</u>

14 Events after the reporting date

No Material events have occurred from the reporting date to the date of the issue of these financial statements which needs to be reported.

Noyapara Tea Company, Limited(The)
Notes to the Accounts
for the year ended 31 December 2018

15 Contingent liabilities

- a) Bangladesh Krishi Bank, Jubilee Road Branch, Chittagong has confirmed a contingent liability of Taka 310,161 (£2,908.21) for guarantees given by them in favour of Jalalabad Gas (T&D) System Ltd.
- b) AB Bank, Madhatpore Branch, has confirmed a contingent liability of Taka 305,413 (£2,861.72) for guarantee given by them in favour of Jalalabad Gas (T&D) System Ltd.

16 Related party transactions

The company owes £420,823 (2017: £620,490) to Deundi Tea Company Ltd, a company in which Mr David Charles Cromble is a director.

At the year end, the company was owed £9,389.23 (2017: £17,780) by Mr Khan, a director of the company. The loan is interest free and unsecured.

At the year end, the company was owed £NIL (2017: £84,259) by Pacific Industries Ltd a company under common control. The movements during the year were due to more loans acquired by company and exchange rate differences as the loan is denominated in Taka.

17 Prior Year adjustments - Deferred Tax Liability

Deferred tax was not recognised in the accounts for 2016. It has been calculated below at the applicable rate on the temporary difference between the carrying value and tax base for the assets.

	£
Balance as at 1 January 2018	-
Prior year adjustment for balance sheet	191,212
Prior year adjustment for profit and loss account	(6,178)
Balance as at 1 January 2018	<u>185,034</u>

18 Provision for deferred taxation

The movement in the provision for deferred taxation during the year was:

	2,017	2,016
	£	£
Provision brought forward as per prior year adjustment	162,543	191,212
Exchange Difference 01 January 2018	7,498	(22,491)
Increase/(decrease) in provision	<u>(12,597)</u>	<u>(6,178)</u>
Provision carried forward	<u>157,442</u>	<u>162,543</u>

19 Controlling party

The company is under the control of Mr Manzur Morshed Khan.

20 Other Information

Noyapara Tea Company, Limited(The) is a private company limited by shares and incorporated in England. Its registered office is:
 7a Bryanston Mews East
 London
 W1H 2DB