

NEWBY TEAS (UK) LIMITED  
FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 MARCH 2018  
PAGES FOR FILING WITH REGISTRAR

CARTER BACKER WINTER LLP

Chartered Accountants  
66 Prescott Street  
London  
E1 8NN

Company number: 03904465

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NEWBY TEAS (UK) LIMITED

COMPANY INFORMATION

<b>Directors</b>	N K Sethia A Bhattacharva A Aslakhanova R Sethia S Sethia
<b>Company number</b>	03904465
<b>Registered office</b>	105 Saint John Street London EC1M 4AS
<b>Auditor</b>	Carter Backer Winter LLP 66 Prescott Street London E1 8NN
<b>Business address</b>	105 Saint John Street London EC1M 4AS

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1.

NEWBY TEAS (UK) LIMITED

STATEMENT OF FINANCIAL POSITION


AS AT 31 MARCH 2018

	Notes	2018	2017
		£	£
<b>FIXED ASSETS</b>			
Intangible fixed assets	4	-	3,569
Tangible fixed assets	5	-	999
Investments	6	267,058	267,264
		<u>267,058</u>	<u>271,832</u>
<b>CURRENT ASSETS</b>			
Stocks		706,010	774,312
Debtors	7	1,114,731	1,201,334
Cash at bank & in hand		661,032	161,628
		<u>2,481,773</u>	<u>2,137,274</u>
CREDITORS: amounts falling due within one year	8	(1,290,777)	(951,052)
		<u></u>	<u></u>
NET CURRENT ASSETS		1,190,996	1,186,222
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>£ 1,458,054</u> =====	<u>£ 1,458,054</u> =====
<b>CAPITAL AND RESERVES</b>			
Called up share capital	9	1,000,000	1,000,000
Profit and loss reserves		458,054	458,054
Total Equity		<u>£ 1,458,054</u> =====	<u>£ 1,458,054</u> =====

These financial statements 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 of directors and authorised for issue on 30/7/18

and signed on its behalf by:

  
NIRMAL K. SETHIA  
Director

Company Registration No. 03904465

NEWBY TEAS (UK) LIMITEDSTATEMENT OF CHANGES IN EQUITYFOR THE PERIOD ENDED 31 MARCH 2018

	Called up share capital	Profit and loss account	Total equity
Balance At 1 August 2016	1,000,000	433,491	1,433,491
Profit and total comprehensive income for the year	-	24,563	24,563
Balance At 31 July 2017	1,000,000	458,054	1,458,054
Profit and total comprehensive income for the period	-	0	0
Balance At 31 March 2018	1,000,000	458,054	1,458,054

NEWBY TEAS (UK) LIMITEDNOTES TO THE FINANCIAL STATEMENTSFOR THE PERIOD ENDED 31 MARCH 20181. ACCOUNTING POLICIESCompany information

Newby Teas (UK) Limited is a private company limited by shares, registered and domiciled in England and Wales, and with a Companies House registration number 03904465. The registered office is N. Sethia House, 105 St. John Street, London, EC1M 4AS, which is also the registered office of the company preparing group accounts.

Accounting convention

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") and the requirements of the Companies Act 2006 as applicable to companies' subject to the small companies' regime.

The disclosure requirements of section 1A of FRS102 have been applied other than where additional disclosure is required to show a true and fair value.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

The financial statements contain information about Newby Teas (U.K.) Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertakings are included in the consolidated financial statements of its ultimate parent, N. Sethia Group Limited, a company registered in England and Wales.

Going concern

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

Turnover

Turnover represents amounts receivable in relation to the sale of goods net of VAT and trade discounts.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

NEWBY TEAS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MARCH 2018

1. ACCOUNTING POLICIES (CONTINUED)

Change in reporting period

These financial statements have been prepared for the 8 month period ending 31 March 2018. The change in reporting period is to re-align with the major group companies accounting period. The comparative amounts are for the 12 month period ending 31 July 2017, and therefore the amounts disclosed are not directly comparable.

Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost or value of the asset can be measured reliably.

Amortisation 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:

Artwork and design	25% (reducing instalment basis)
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Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

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

Furniture and equipment	25% (reducing instalment basis)
Computers	25% (reducing instalment basis)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

Cash at bank and in hand

Cash at bank and in hand are basic financial assets and 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.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### FOR THE PERIOD ENDED 31 MARCH 2018

#### 1. ACCOUNTING POLICIES (CONTINUED)

##### Fixed asset Investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

##### Stock

Stock are stated at the lower cost and estimated selling price less costs to complete and sell. In respect of work in progress and finished goods, cost includes a relevant proportion of overheads according to the stage of manufacture or completion.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

##### 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 expense 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 taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes.



NEWBY TEAS (UK) LIMITEDNOTES TO THE FINANCIAL STATEMENTS (CONT'D)FOR THE PERIOD ENDED 31 MARCH 20181. ACCOUNTING POLICIES (CONTINUED)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.

Operating lease agreements

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.

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 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with 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.

NEWBY TEAS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE PERIOD ENDED 31 MARCH 2018

1. ACCOUNTING POLICIES (CONTINUED)

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 loans from fellow group companies, 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 payments 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 method.

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.

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.

2. JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the company's accounting policies, the directors 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.

NEWBY TEAS (UK) LIMITEDNOTES TO THE FINANCIAL STATEMENTS (CONT'D)FOR THE PERIOD ENDED 31 MARCH 2018

## 3. EMPLOYEES

The average monthly number of persons (including directors) employed by the company during the year was 25 (2017: 8).

4. INTANGIBLE FIXED ASSETS

	Artwork & <u>Design</u> £	Trademark & <u>patents</u> £	Total £
Cost:			
At 1 August 2017	261,036	143,315	404,351
Disposals	(261,036)	(143,315)	(404,351)
At 31 March 2018	-	-	-
Depreciation and impairment:			
At 1 August 2017	257,467	143,315	400,782
Charge for the year	3,569	-	3,569
Disposals	(261,036)	(143,315)	(404,351)
At 31 March 2018	-	-	-
Carrying amount:			
At 31 March 2018	-	-	-
At 31 July 2017	3,569	-	3,569

NEWBY TEAS (UK) LIMITEDNOTES TO THE FINANCIAL STATEMENTS (CONT'D)FOR THE PERIOD ENDED 31 MARCH 20185. TANGIBLE FIXED ASSETS

	<u>Furniture and equipment</u>	<u>Computers</u>	<u>Total</u>
	£	£	£
Cost:			
At 1 August 2017	55,961	14,985	70,946
Disposals	(55,961)	(14,985)	(70,946)
At 31 March 2018	-	-	-
Depreciation & impairment:			
At 1 August 2017	55,221	14,726	69,947
Charge for the period	740	259	999
Disposals	(55,961)	(14,985)	(70,946)
At 31 March 2018	-	-	-
Carrying amount:			
At 31 March 2018	-	-	-
At 31 July 2017	740	259	999

6. INVESTMENTSAt cost less impairment provision

	<u>Total</u>
Cost at 1 August 2017	492,264
Provision at 1 August 2017	(225,000)
Provision charged during the year	(206)

267,058  
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NEWBY TEAS (UK) LIMITEDNOTES TO THE FINANCIAL STATEMENTS (CONT'D)FOR THE PERIOD ENDED 31 MARCH 2018

7.	<u>DEBTORS</u>	<u>2018</u>	<u>2017</u>
		£	£
	Trade debtors	1,020,560	1,018,194
	Prepayments	17,992	19,252
	VAT	30,121	72,675
	Other debtors	46,058	91,213
		<u>1,114,731</u>	<u>1,201,334</u>
8.	<u>CREDITORS: amounts falling due within one year</u>	<u>2018</u>	<u>2017</u>
		£	£
	Trade Creditors	59,167	61,176
	Amounts owed to Group undertakings	1,185,084	867,385
	Accruals	5,556	11,897
	Corporation tax payable	6,126	6,126
	Other taxes and social security	7,559	4,468
	Donations payable	27,285	-
		<u>1,290,777</u>	<u>951,052</u>
9.	<u>SHARE CAPITAL</u>	Authorised	Allotted called up and fully paid
		<u>2018</u> No.	<u>2017</u> No.
		<u>2018</u> £	<u>2017</u> £
	Ordinary £1 shares	1,000,000	1,000,000

10. AUDIT REPORT INFORMATION

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The auditor was Carter Backer Winter LLP.

NEWBY TEAS (UK) LIMITEDNOTES TO THE FINANCIAL STATEMENTS (CONT'D)FOR THE PERIOD ENDED 31 MARCH 201811. RELATED PARTY TRANSACTIONS

Donations were paid in the year to the N Sethia Foundation of £27,285 (2017: £Nil). The trustees of the charity. The Company and the Charity have some Directors and Trustees in common.