

Bart Spices Holdings Limited

Annual report and financial statements

Registered number 07116532

31 March 2018

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Strategic Report

On 19 October 2017, the parent company of Bart Spices Holdings Limited, Bart Spices Group Holdings Limited, was acquired by DF World of Spices GmbH who now own 100% of the share capital.

During the year ended 31 March 2018, until 3 September 2018 the company's principal activity was a holding company of an investment in The Bart Ingredients Co. Limited. However, on 3 September 2018, the directors took the decision to cease trading following a group restructure. As the directors intend to liquidate the company following the settlement of the remaining net assets, they have not prepared the financial statements on a going concern basis. The effect of this is explained in note 1.

Risk analysis

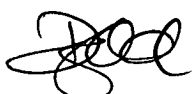
The Directors have reviewed the investments of the Company and carried out a risk assessment based on cash flow, legislation, price and liquidity and are satisfied with the investment risk.

The Company funds its business model using term loans (held in the Company) under an agreement with its bank, from which it has provided funds to its trading subsidiary, The Bart Ingredients Co. Limited. In addition following the sale of the Group there exists a £5.6m loan from DF World of Spices GmbH to Bart Spices Holdings Limited which was used to fund redemption of loan notes that had been issued by Bart Spices Holdings Limited.

There are £9.4 million (2017: £13.2 million) of loan notes payable in principal by the Company. All remaining loan notes were delisted from the Channel Islands Securities Exchange on 1st March 2018. The interest posted to the profit and loss account is a non-cash transaction and the investment in the Company is supported by the on-going profitability of its trading subsidiary, The Bart Ingredients Co. Ltd.

The shareholder deficit of £15.8 million (2017: £12.6 million) is due to interest on the investment loan notes and the impairment of the investment balance in a previous reporting period which is non-cash and therefore carries acceptable risk.

By order of the board



David Collard
Director

22 November 2018

Directors' report

The directors present their Directors' Report and financial statements for the year ended 31 March 2018.

Proposed dividend

The directors do not recommend the payment of a dividend (*2017: nil*).

Directors

The directors who held office during the year were as follows:

DJ Collard
AC Sills (resigned 19 October 2017)
D Mead (resigned 1 March 2018)
AEB Wiegman (resigned 19 October 2017)
J Herden (appointed 19 October 2017)

Political contributions

The Company made no political donations during the year (*2017: £nil*).

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

By order of the board



David Collard
Director

York Road
Bedminster
Bristol
BS3 4AD
22 November 2018

Statement of directors' responsibilities in respect of the Strategic Report, the Directors' Report and the financial statements

The directors are responsible for preparing the Strategic Report, the 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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departure disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so (as explained in note 1, the directors do not believe that it is appropriate to prepare these financial statements on a going concern basis).

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



KPMG LLP
66 Queen Square
Bristol
BS1 4BE
United Kingdom

Independent auditor's report to the members of Bart Spices Holdings Limited

We have audited the financial statements of Bart Spices Holdings Limited ("the company") for the year ended 31 March 2018 which comprise the Profit and Loss Account and Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and related notes, including the accounting policies in note 1.

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 UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Emphasis of matter - non-going concern basis of preparation

We draw attention to the disclosure made in note 1 to the financial statements which explains that the financial statements have not been prepared on the going concern basis for the reason set out in that note. Our opinion is not modified in respect of this matter.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Independent auditor's report to the members of Bart Spices Holdings Limited *(continued)*

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 4, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.



Kate Teal (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
66 Queen Square
Bristol
BS1 4BE

30 November 2018

Profit and Loss Account and Other Comprehensive Income
for the year ended 31 March 2018

	<i>Note</i>	2018 £000	2017 £000
Administrative expenses	2	-	(8)
Operating loss		-	(8)
Interest payable and similar expenses	3	(3,216)	(3,003)
Loss on before taxation		(3,216)	(3,011)
Tax on loss	4	-	-
Loss for the financial year		(3,216)	(3,011)

There is no other income or losses other than that disclosed above.

Balance Sheet
at 31 March 2018

	<i>Note</i>	2018 £000	£000	2017 £000	£000
Fixed assets					
Investments	5		11,382		11,382
			<u>11,382</u>		<u>11,382</u>
Current assets					
Debtors	6	-		-	
		<u>-</u>		<u>-</u>	
Creditors: amounts falling due within one year	7	(27,178)		(1,589)	
		<u>(27,178)</u>		<u>(1,589)</u>	
Net current liabilities			(27,178)		(1,589)
Total assets less current liabilities			(15,796)		9,793
Creditors: amounts falling due after more than one year	8		-		(22,373)
			<u>-</u>		<u>(22,373)</u>
Net liabilities			(15,796)		(12,580)
Capital and reserves					
Called up share capital	10		86		86
Share Premium			6,096		6,096
Capital contribution reserve	11		1,166		1,166
Profit and loss account			(23,144)		(19,928)
			<u>(23,144)</u>		<u>(19,928)</u>
Shareholders' deficit			(15,796)		(12,580)
			<u>(15,796)</u>		<u>(12,580)</u>

These financial statements were approved by the board of directors on 22 November 2018 and were signed on its behalf by:



David Collard
Director

Company registered number: 07116532

Statement of Changes in Equity

	Called up Share capital £000	Share Premium £000	Capital contribution reserve £000	Profit & loss account £000	Total equity £000
Balance at 1 April 2016	86	6,096	-	(16,917)	(10,735)
Total comprehensive income for the period					
Loss for the year	-	-	-	(3,011)	(3,011)
Transactions with owners recorded directly in equity					
Loan note interest write-off	-	-	1,166	-	1,166
Balance at 31 March 2017	86	6,096	1,166	(19,928)	(12,580)

	Called up Share capital £000	Share Premium £000	Capital contribution reserve £000	Profit & loss account £000	Total equity £000
Balance at 1 April 2017	86	6,096	1,166	(19,928)	(12,580)
Total comprehensive income for the period					
Loss for the year	-	-	-	(3,216)	(3,216)
Balance at 31 March 2018	86	6,096	1,166	(23,144)	(15,796)

Notes

(forming part of the financial statements)

1 Accounting policies

Bart Spices Holdings Limited (the “Company”) is a company limited by shares and incorporated and domiciled in the UK.

The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland (“FRS 102”) as issued in August 2014. The amendments to FRS 102 issued in July 2015 and effective immediately have been applied. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

The Company’s immediate parent undertaking, Bart Spices Group Holdings Limited includes the Company in its consolidated financial statements. The consolidated financial statements of Bart Spices Group Holdings Limited are available to the public and may be obtained from York Road, Bedminster, Bristol, BS3 4AD. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of Bart Spices Group Holdings Limited include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- The disclosures required by FRS 102.11 *Basic Financial Instruments* and FRS 102.12 *Other Financial Instrument Issues* in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

1.1 Measurement convention

The financial statements are prepared on the historical cost basis.

1.2 Going concern

In previous years, the financial statements have been prepared on a going concern basis. However, on 3 September 2018 the directors took the decision to simplify the groups structure and strike off the entity. Accordingly, the directors have not prepared the financial statements on a going concern basis. Due to the strike off, any non-current liabilities have been restated as current liabilities.

Notes (continued)

1 Accounting policies (continued)

1.3 Classification of financial instruments issued by the Company

In accordance with FRS 102.22, financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

- (a) they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company; and
- (b) where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

1.4 Basic financial instruments

Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Investments in subsidiaries

These are separate financial statements of the company. Investments in subsidiaries are carried at cost less impairment.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits.

1.5 Impairment

Non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The goodwill acquired in a business combination, for the purpose of impairment testing is allocated to cash-generating units, or ("CGU") that are expected to benefit from the synergies of the combination. For the purpose of goodwill impairment testing, if goodwill cannot be allocated to individual CGUs or groups of CGUs on a non-arbitrary basis, the impairment of goodwill is determined using the recoverable amount of the acquired entity in its entirety, or if it has been integrated then the entire entity into which it has been integrated.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a *pro rata* basis.

Notes (continued)

1 Accounting policies (continued)

1.5 Impairment (continued)

Non-financial assets

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

1.6 Expenses

Interest receivable and Interest payable

Interest payable and similar expenses include interest payable on bank loans and loan notes. Interest payable is recognised in profit or loss as it accrues, using the effective interest method.

1.7 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries, to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is provided in respect of the additional tax that will be paid or avoided on differences between the amount at which an asset (other than goodwill) or liability is recognised in a business combination and the corresponding amount that can be deducted or assessed for tax. Goodwill is adjusted by the amount of such deferred tax.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

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.

Notes (continued)

2 Expenses and auditor's remuneration

Auditor's remuneration was borne by another group company in respect of the current and prior period. The directors estimate the amount attributable to this entity to be £1,000 (2017: £1,000).

Directors remuneration was borne by another group company in respect of the current and prior period. The directors estimate the amount attributable to this entity to be £3,000 (2017: £3,000).

3 Interest payable and similar expenses

	2018 £000	2017 £000
Bank loan interest	47	57
Loan note interest	3,169	2,946
	<hr/>	<hr/>
Total other interest payable and similar expenses	3,216	3,003
	<hr/>	<hr/>

Of the above amount £2,569,000 (2017: £2,117,000) was payable to group undertakings.

4 Taxation

Reconciliation of effective tax rate

	2018 £000	2017 £000
Loss for the year	(3,216)	(3,011)
	<hr/>	<hr/>
Tax using the UK corporation tax rate of 19 % (2017 : 20%)	(611)	(602)
Non-deductible expenses	581	602
Deferred tax not recognised	(4)	-
Group relief surrendered	34	-
	<hr/>	<hr/>
Total tax expense included in profit or loss	-	-
	<hr/>	<hr/>

The company has accumulated unrecognised tax losses of £214,000 (2017: £235,000) which it has not recognised due to the uncertainty of future profits.

Factors that may affect future current and total tax charges

A reduction in the UK corporation tax rate from 20% to 19% (effective from 1 April 2017) was substantively enacted on 26 October 2015, together with a further reduction to 18% (effective 1 April 2020). An additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the company's future current tax charge accordingly.

Notes (continued)

5 Fixed asset investments

	Subsidiary undertakings £000
<i>Cost</i>	
At beginning and end of year	14,882
<i>Provisions</i>	
At beginning and end of year	(3,500)
<i>Net book value</i>	
At beginning and end of year	<u>11,382</u>

The Company has the following investments in subsidiaries which are both incorporated in the UK:

	Aggregate of capital and reserves	Profit/(loss) for the year	Class of shares held	Ownership 2018	Ownership 2017
	£000	£000		%	%
Seebeck 30 Limited	1,350	-	Ordinary	100	100
The Bart Ingredients Co Limited*	8,335	1,385	Ordinary	100	100

*Bart Spices Holdings Limited has direct ownership of Seebeck 30 Limited who has a 100% shareholding of The Bart Ingredients Co. Limited. The registered address of Seebeck 30 Limited and The Bart Ingredients Co. Limited is: York Road, Bedminster, Bristol BS3 4AD.

As set out in note 17, subsequent to the year end, the directors have decided to strike off the company. The strike off is part of a wider group restructure and will result in the investment value not being recovered. However, on the basis that this decision had not been made at the balance sheet date, the strike off has not been considered when determining the recoverability of the investment at the measurement date, being the year end, 31 March 2018. At the balance sheet date, the carrying value of the investment was supported by discounted cash flows of the company's main subsidiary.

6 Debtors

	2018 £000	2017 £000
Prepayments and accrued income	-	-

The debtor balance is due within one year.

Notes (continued)

7 Creditors: amounts falling due within one year

	2018 £000	2017 £000
Bank loans	890	286
Loan notes	18,887	-
Amounts owed to group undertakings	7,401	1,303
	<hr/> 27,178 <hr/>	<hr/> 1,589 <hr/>

8 Creditors: amounts falling after more than one year

	2018 £000	2017 £000
Bank loans	-	972
Loan notes	-	21,401
	<hr/> - <hr/>	<hr/> 22,373 <hr/>

9 Interest-bearing loans and borrowings

This note provides information about the contractual terms of the Company's interest-bearing loans and borrowings, which are measured at amortised cost.

	2018 £000	2017 £000
Creditors falling due after more than one year		
Secured bank loans	-	972
Loan notes	-	21,401
	<hr/> - <hr/>	<hr/> 22,373 <hr/>
Creditors falling due within less than one year		
Secured bank loans	890	286
Loan notes	18,887	-
Amounts owed to group undertakings	5,615	-
	<hr/> 25,391 <hr/>	<hr/> 286 <hr/>

Bank loans include a term loan of £737,000 that is repayable on a quarterly basis at £13,725 per quarter and which attracts interest at LIBOR plus 3.50% and an acquisition loan of £525,000 that is repayable on a quarterly basis at £57,822 per quarter and which attracts interest at LIBOR plus 3.50%. The total balance of £890,000 includes unamortised arrangement fees of £nil (2017: £5,000) and amounts repayable after five years of £nil.

The bank loans are secured by way of a debenture over the assets of The Bart Ingredients Co. Limited and a first fixed charge over the freehold and leasehold property of The Bart Ingredients Co. Limited.

In May 2015 £1,000,000 of priority loan notes were issued that attract interest at 20% and are repayable in 2021. The pre-existing loan notes attract interest at 15% per annum and are also repayable in 2021. On 21 September 2016, the board agreed that accumulated interest of £1,166,000 owed by Bart Spices Holdings Limited to Langholm Capital Nominees Limited and Langholm Capital CIP Nominees Limited would be written off.

Notes (continued)

9 Interest-bearing loans and borrowings (continued)

On 19 October 2017, Bart Spices Holdings Limited disposed of loan notes of a principal value of £3,840,000. The loan notes were redeemed by DF World of Spices GmbH at a total value of £5,614,000, inclusive of interest of £1,775,000 (see note 13 for terms of the loan).

The loan note balance at 31 March 2018 of £18,887,000 (2017: £21,401,000) includes rolled up interest of £9,527,000 (2017: £8,325,000) and unamortised arrangement fees of £nil (2017: £124,000).

The Company has not entered into any interest swap transaction within the year.

10 Capital and reserves

Share capital

	2018 £000	2017 £000
<i>Allotted, called up and fully paid</i>		
85,859 ordinary shares of £1 each	86	86
	<hr/>	<hr/>
Shares classified in shareholders' funds	86	86
	<hr/>	<hr/>

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

There are 6 deferred ordinary shares issued outside of the immediate group, the holders of these shares are not entitled to attend or vote at meetings of the Company.

11 Capital contribution reserve

On 21 September 2016, Langholm Capital Nominees Limited and Langholm Capital CIP Nominees Limited approved the write-off of loan note interest totalling £1,166,000 which had been owed to them by the Company. These entities collectively held a controlling interest in Bart Spices Group Holdings Limited at the time, and the directors consider it unlikely that a similar write-off would have been permitted by an unrelated third party. As such, the write-off has been recognised as a contribution of capital to the Company by Langholm Capital Nominees Limited and Langholm Capital CIP Nominees Limited and a capital contribution reserve recognised accordingly.

12 Financial instruments

The carrying amounts of the financial assets and liabilities include:

	2018 £000	2017 £000
Liabilities measured at amortised cost	27,178	23,962
	<hr/>	<hr/>

13 Contingencies

The company is included within the group's VAT registration scheme, which incorporates the ultimate and intermediate parent companies and the company's subsidiary. As such, the company is jointly and severally liable for the amounts owed by the other companies at the balance sheet date. As at 31 March 2018 this amounted to £nil. (2017: £nil).

Notes (continued)

14 Related parties

Identity of related parties with which the Company has transacted

Loan notes totalling £12,200,000 were issued on 5 May 2010 at an interest rate of 15% per annum. On 13 May 2015 a further £1,000,000 of loan notes were issued at an interest rate of 20% per annum.

On 21 September 2016, Langholm Capital Nominees Limited and Langholm Capital CIP Nominees Limited approved the write-off of loan note interest totalling £1,166,000 which had been owed to them by the Company (note 12).

On 19 October 2017, Bart Spices Holdings Limited disposed of loan notes of a principal value of £3,840,000. The loan notes were acquired by DF World of Spices GmbH at a total value of £5,614,000, inclusive of interest of £1,775,000 (note 13). In exchange, Bart Spices Holdings entered into a new loan agreement for £5,614,000 payable to DF World of Spices GmbH. This loan lasts for an indefinite period, bears interest at 2.75% per annum which is payable monthly and carries a 3 month notice period for full repayment.

At the year end, the loan note and related party loan obligations were as follows:

	2018			2017		
	Loan principal £000	Rolled-up Interest £000	Total £000	Loan principal £000	Rolled-up Interest £000	Total £000
Bart Spices Group Holdings Limited	9,360	9,527	18,887	9,360	7,027	16,387
DF World of Spices GmbH	5,614	-	5,614	-	-	-
Langholm Capital Nominees Limited	-	-	-	3,689	1,200	4,889
Langholm Capital CIP Nominees Limited	-	-	-	37	12	49
S Esom	-	-	-	47	36	83
D Collard	-	-	-	14	10	24
K Crossley	-	-	-	14	10	24
K Campbell	-	-	-	13	10	23
J Dorman	-	-	-	13	10	23
J Peat	-	-	-	13	10	23
	14,974	9,527	24,501	13,200	8,325	21,525

Loan notes of £13,200,000 were listed on the Channel Islands Securities Exchange (CISE) until 19th October 2018, at which point £3,840,000 of the loan notes were redeemed. The remaining £9,360,000 of loan notes were listed on CISE until 1st March 2018, at which point all the loan notes were delisted.

15 Ultimate parent company and parent company of larger group

The Company is a subsidiary undertaking of The Bart Spices Group Holdings Limited.

The ultimate controlling party was Langholm Capital Nominees Limited until 19 October 2017 when DF World of Spices GmbH acquired a 100% shareholding of Bart Spices Group Holdings Limited.

The Company's immediate parent undertaking is Bart Spices Group Holdings Limited. The registered office of the ultimate parent company is York Road, Bedminster, Bristol, BS3 4AD. The smallest group in which the results of the Company are consolidated is that headed by Bart Spices Group Holdings Limited. The consolidated accounts of this company are available to the public and can be obtained from York Road, Bedminster, Bristol, BS3 4AD.

The ultimate controlling party is DF World of Spices GmbH by virtue of its 100% shareholding in Bart Spices Group Holdings Limited as of 19 October 2017. The largest group in which the results of the Company are consolidated is that headed by DF World of Spices GmbH. DF World of Spices GmbH is incorporated in Germany and its registered address is Industriestraße 25, 49201 Dissen, Germany.

16 Accounting estimates and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Impairment calculations

Investments are subject to impairment when there are indicators, such as; the net assets of the underlying company being less than the carrying value of the investments, adverse trading conditions in the underlying investment or significant losses in the year in the underlying investment.

Management use forecast EBITDA and an EBITDA multiple to estimate the level of any required impairment to the carrying value of investments. Changes to these judgements could result in changes to profit or loss for the period and the carrying value of the investment.

No impairment charge incurred as a result of the impairment test as at 31 March 2018 (2017: £nil).

17 Post balance sheet events

On 29 August 2018 the group underwent a re-structuring process. This included the following steps which impacted upon Bart Spices Holdings Limited:

- a) Loans payable to DF World of Spices GmbH totalling £5,614,000 were novated from Bart Spices Holdings Limited to The Bart Ingredients Co. Limited.
- b) Bank loans totalling £824,000 were novated from Bart Spices Holdings Limited to the Bart Ingredients Company Limited.
- c) All intercompany balances within the group were settled via a series of dividends.
- d) The entire ordinary share capital of The Bart Ingredients Co. Limited was transferred via dividend to Bart Spices Group Holdings Limited.
- e) Statutory capital reduction which reduced the share capital in Bart Spices Holdings Limited, initially increased by a bonus issue and cancelled the share premium balance.

Furthermore, and as a result of the above events, a strike off application was made on 3 September 2018 for Bart Spices Holdings Limited.