New Y Trading Limited

Financial Statements for the year ended 31 March 2016

New Y Trading Limited
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New Y Trading Limited
Director's responsibility statement
for the year ended 31 March 2016

The director is pleased to present the financial statements of New Y Trading Limited for the year ended 31 March 2016.

No disclosure has been made in respect of Section 211(1)(a) and (e) to (j) of the Companies Act 1993 following a unanimous decision by the shareholders in accordance with Section 211(3) of the Act.

The director is responsible for ensuring that the financial statements present fairly the financial position of the Company as at 31 March 2016 and the financial performance and cash flows for the year ended on that date in accordance with generally accepted accounting practice in New Zealand.

The director considers that the financial statements of the Company have been prepared using appropriate accounting policies consistently applied and supported by reasonable judgements and estimates and that all the relevant financial reporting and accounting standards have been followed.

The director believes that proper accounting records have been kept which enable, with reasonable accuracy, the determination of the financial position of the Company and facilitate compliance of the financial statements with the Companies Act 1993.

The director authorised these Financial Statements under section 211(1)(k) of the Companies Act 1993 on 14 August 2017.

Jingjie Xue
Director

New Y Trading Limited
Statement of profit or loss
for the year ended 31 March 2016

	Notes	Year ended 31/03/2016 Audited $	Year ended 31/03/2015 Unaudited $
Revenue	5	15,289,938	2,526,885
Cost of sales		(13,790,586)	(1,843,606)
Gross profit		**1,499,352**	**683,279**
Other Income			
Interest Received	18	24,559	17,071
Expenses			
Administrative expenses		(406,961)	(213,419)
Employee benefits expenses	8	(516,474)	(201,531)
Depreciation expenses	6	(28,074)	(17,639)
Finance costs	6	(1,582)	(784)
Profit before tax		**570,820**	**266,977**
Income tax expense	7	(216,992)	(47,099)
Profit for the year		**353,828**	**219,878**
Other comprehensive income		-	-
Total comprehensive income for the year		**353,828**	**219,878**
Attributable to:			
Owners of the company		353,828	219,878
Earnings per share			
From continuing operations			
Basic (per share)	15	3,538	2,199
Diluted (per share)	15	3,538	2,199

The accompanying notes form an integral part of these financial statements and should be read in conjunction with them.

New Y Trading Limited
Statement of financial position
at 31 March 2016

	Notes	31/03/2016 Audited $	31/03/2015 Unaudited $	1/04/2014 Unaudited $
Assets				
Current Assets				
Cash	13	341,989	169,104	80,169
Trade and other receivables	11	665,247	216,700	29,756
Stock on Hand - Finished Goods	10	21,364	16,000	2,783
Loan to shareholder	18	554,295	430,424	131,788
Total Current Assets		1,582,895	832,228	244,496
Non-Current Assets				
Property, plant and equipment	9	162,176	87,062	35,136
Deferred tax	7	22,633	-	-
Total Non-Current Assets		184,809	87,062	35,136
Total Assets		1,767,704	919,290	279,632
Current Liabilities				
Trade and other payables	12	1,306,354	507,698	101,354
Tax payable		212,425	47,099	33,661
Total Current Liabilities		1,518,779	554,797	135,015
Total Liabilities		1,518,779	554,797	135,015
Net Assets/(Liabilities)		**248,925**	**364,493**	**144,617**
Capital and Liabilities				
Share capital	16	100	100	100
Retained earnings	14	248,825	364,393	144,517
Total Equity		**248,925**	**364,493**	**144,617**

The accompanying notes form an integral part of these financial statements and should be read in conjunction with them.

New Y Trading Limited
Statement of changes in equity

for the year ended 31 March 2016

	Notes	Share capital	Retained earnings	Total
		$	$	$
Balance at 1 April 2014 (Unaudited)		100	144,515	144,615
Profit for the year		-	219,878	219,878
Other comprehensive income		-	-	-
Total comprehensive income for the year		-	219,878	219,878
Distributions to owners		-	-	-
Balance at 31 March 2015 (Unaudited)		100	364,393	364,493
Profit for the year			353,828	353,828
Other comprehensive income		-	-	-
Total comprehensive income for the year		-	353,828	353,828
Distributions to owner	14		(469,396)	(469,396)
Balance at 31 March 2016 (Audited)		100	248,825	248,925

The accompanying notes form an integral part of these financial statements and should be read in conjunction with them.

New Y Trading Limited
Statement of cash flows
for the year ended 31 March 2016

	Notes	Year ended 31/03/2016 Audited $	Year ended 31/03/2015 Unaudited $
Cash flows from operating activities			
Receipts from customers		14,931,564	2,339,941
Payments to suppliers and employees		(13,925,489)	(1,865,431)
Cash generated from operations		1,006,075	474,510
Interest paid		(1,582)	(784)
Income taxes paid		(74,299)	(33,661)
Net cash generated by operating activities	20	930,194	440,065
Cash flows from investing activities			
Payments for property, plant and equipment		(107,529)	(69,565)
Net cash (used in)/generated by investing activities		(107,529)	(69,565)
Cash flows from financing activities			
Proceeds from shareholder		474,897	-
Repayment of shareholders loan		(1,124,677)	(281,565)
Net cash used in financing activities		(649,780)	(281,565)
Net increase in cash and cash equivalents		172,885	88,935
Cash and cash equivalents at the beginning of the year		169,104	80,169
Cash and cash equivalents at the end of the year	13	**341,989**	**169,104**

The accompanying notes form an integral part of these financial statements and should be read in conjunction with them.

New Y Trading Limited
Notes to the financial statements
for the year ended 31 March 2016

1. General information

New Y Trading Limited ('the Company') is a New Zealand limited company incorporated and domiciled in New Zealand, trading as Q Express. The registered office is located at 9a Angle Street, Onehunga, Auckland, 1061, New Zealand. The company is a public shipping and delivery company that specialises in delivering parcels to China for online business sellers in New Zealand.

2. Application of new and revised New Zealand International Financial Reporting Standards (NZ IFRSs)

2.1 New and revised NZ IFRSs in issue but not yet effective

The Company has not applied the following new and revised NZ IFRS's that have been issued but are not yet effective:

- NZ IFRS 9 - Financial Instruments. This standard is effective for reporting periods beginning on or after 1 January 2018. The standard introduced new requirements for the classification and measurement of financial assets and incorporated new hedge accounting requirements. A new expected loss impairment model was also introduced.
- NZ IFRS 15 - Revenue from Contracts with Customers. This standard replaces NZ IAS 18 Revenue and is mandatory for reporting periods beginning on or after 1 January 2018. The standard provides a single comprehensive model for revenue recognition. It supersedes current recognition and related interpretations. The application of NZ IFRS 15 is not expected to have a material impact on the Company.
- NZ IFRS 16 - Leases. Effective for reporting periods beginning on or after 1 January 2019. The main changes under the standard for lessees are:
  - all operating leases of greater than 12 months duration will be required to be presented on balance sheet. The net present value of these leases will be recognised as an asset and a liability; and
  - all leases on balance sheet will give rise to a combination of interest expense on the lease liability and depreciation of the leased asset.

  For lessors, the accounting for leases under NZ IFRS 16 remains substantially the same as under NZ IAS 17. The impact of NZIFRS 16 will be determined by the level of operating lease commitments greater than 12 months duration at adoption. The Company's operating lease commitments are set out in note 19.

The company is yet to assess the impact of these standards and does not expect to adopt them before their respective effective dates.

3. Significant accounting policies

3.1 Statement of compliance and reporting framework

The financial statements have been prepared in accordance with New Zealand generally accepted accounting practice (NZ GAAP). For the purposes of complying with NZ GAAP, the Company is a for-profit entity. These financial statements comply with International Financial Reporting Standards and New Zealand International Financial Reporting Standards "NZ IFRS". The Company has adopted NZ IFRS for the first time in the current year. There have not been significant changes to the financial statements due to the adoption of NZ IFRS.

The Company has elected to adopt External Reporting Board Standard A1 Accounting Standards Framework (For-profit Entities and Public Sector Public Benefit Entities Update) (XRB A1). The Company has elected to apply NZ IFRS as it has intentions of becoming a Public Interest Entity.

These financial statements have been prepared in accordance with the Companies Act 1993.

3.2 Basis of preparation

The financial statements have been prepared on the historical cost basis except for certain properties and financial instruments that are measured at revalued amounts or fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of NZ IFRS 2, leasing transactions that are within the scope of NZ IAS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in NZ IAS 2 or value in use in NZ IAS 36.

3.3 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, excluding goods and services tax, and discounts.

3.3.1 Sale of goods

Revenue derived from the sale of goods includes the sale of milk power to customers in China. This revenue is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

3.3.2 Rendering of services

Revenue derived from international freight forwarding is recognised on freight departure. This timing reflects when the vast majority of the Company's services has been performed.

3.3.3 Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

3.4 Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

3.5 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

3.5.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

3.5.2 Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3.5.3 Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

3.5.4 Goods and services tax

Revenue, expenses, assets and liabilities are recognised net of the amount of goods and services tax (GST) except:
- where the amount of GST incurred is not recovered from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense.

3.6 Property, plant and equipment

Building improvements, furniture and fittings, motor vehicles, office equipment and plant and equipment are stated at cost less accumulated depreciation.

Depreciation is recognised so as to write off the cost or valuation of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the diminishing value method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

3.6 Property, plant and equipment (continued)

The following depreciation rates are used in the calculation:

Building Improvements	9-10%
Motor vehicles	20-30%
Office Equipment	40-50%
Plant and Equipment	20-50%
Furniture and Fittings	16%

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

3.7 Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a first-in-first-out basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

3.8 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

3.9 Financial instruments

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

3.10 Financial assets

Financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss' (FVTPL), 'held-to-maturity' investments, 'available-for-sale' (AFS) financial assets and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

3.10.1 Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables (including trade and other receivables, bank balances and cash, and loan to shareholder) are measured at amortised cost using the effective interest method, less any impairment.

Interest income is recognised by applying the effective interest rate, except for short-term receivables when the effect of discounting is immaterial.

3.10.2 Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as a default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

For certain categories of financial assets, such as trade receivables, assets are assessed for impairment on a collective basis even if they were assessed not to be impaired individually. Objective evidence of impairment for a portfolio of receivables could include the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets that are carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

3.10.3 Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

3.10.3 Derecognition of financial assets (continued)

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

3.11 Financial liabilities

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

3.11.1 Other financial liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

4. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 3, the director of the Company is required to make judgements, estimates and assumptions about the carrying amounts 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

As described at 3.6 above, the Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. Management make estimations in relation to the basis for accounting depreciation of fixed assets. The difference between the carrying values for accounting and taxation give rise to temporary differences that are accounted for in the statement of financial position. Refer to note 7.

The Company maintains a provision for estimated losses expected to arise from customers being unable to make required payments. This provision takes into account known commercial factors impacting specific customer accounts, as well as the overall profile of the receivables portfolio. In assessing the provision, factors such as past collection history, the age of receivable balances, the level of activity in customer accounts, as well as general macro-economic trends, are taken into account. Significant changes in these factors would likely necessitate changes in the doubtful debts provision. Refer to note 11.

5. Revenue

The following is an analysis of the Company's revenue for the year from continuing operations:

	Year ended 31/03/2016 Audited $	Year ended 31/03/2015 Unaudited $
Revenue from freight	6,369,463	2,505,978
Revenue from sale of goods	8,920,475	20,907
	15,289,938	2,526,885

6. Profit from Operations

6.1 Finance costs

	Year ended 31/03/2016 Audited $	Year ended 31/03/2015 Unaudited $
Interest on bank overdraft	1,582	784
	1,582	784

6.2 Other expenses

Depreciation expense	28,074	17,639
Rent	116,045	87,370
(Gain)/Loss on Disposal of Property, Plant & Equipment	4,341	-
Fees paid to the auditor		
Audit of the financial statements	40,000	-
Other services (i)	7,000	-
Total fees paid to auditor	47,000	-

(i) Other services include review of controls within the Company, assistance with first time adoption of IFRS and associated financial statements.

7. Income tax

The major components of income tax expense for the years ended 31 March 2016 and 2015 are:

7.1 Income tax recognised in profit or loss

	Year ended 31/03/2016 Audited $	Year ended 31/03/2015 Unaudited $
Current income tax		
Current income tax charge	188,765	47,099
In respect of prior years	50,860	-
	239,625	47,099
Deferred tax		
In respect of the current year	(22,633)	-
	(22,633)	-
Total income tax expense recognised in the current year	216,992	47,099

The income tax expense for the year can be reconciled to the accounting profit as follows:

	Year ended 31/03/2016 Audited $	Year ended 31/03/2015 Unaudited $
Profit before tax from continuing operations	570,820	266,977
Income tax expense calculated at 28% (2015: 28%)	159,830	74,754
Permanent differences	6,302	(27,655)
Adjustments recognised in the current year in relation to the current tax of prior years	50,860	-
Income tax expense recognised in profit or loss	216,992	47,099

New Y Trading Limited
Notes to the financial statements
for the year ended 31 March 2016

7. Income tax (continued)

Deferred tax balances

The following is the analysis of deferred tax assets/(liabilities) presented in the statement of financial position:

	Year ended 31/03/2016 Audited $	Year ended 31/03/2015 Unaudited $
Deferred tax assets	22,633	-
Deferred tax liabilities	-	-
	22,633	-

	Opening balance $	Recognition in profit or loss $	Acquisitions/ disposals $	Closing balance $
31 March 2015				
Deferred tax assets/(liabilities) in relation to:				
Accrued expenses	-	-	-	-
Property, plant & equipment	-	-	-	-
	-	-	-	-
31 March 2016				
Deferred tax assets/(liabilities) in relation to:				
Accrued expenses	-	22,633	-	22,633
Property, plant & equipment	-	-	-	-
	-	22,633	-	22,633

	Year ended 31/03/2016 Audited $	Year ended 31/03/2015 Unaudited $
Imputation credits are as follows:		
Balance available for use in subsequent reporting periods	-	33,611

8. Employee benefits expense

	Year ended 31/03/2016 Audited $	Year ended 31/03/2015 Unaudited $
Salaries and wages	515,617	200,712
Kiwisaver Contributions	857	819
	516,474	201,531

9. Property, plant and equipment

	31/03/2016 Audited $	31/03/2015 Unaudited $
Carrying amounts of:		
Building improvements	6,753	1,552
Motor Vehicles	132,445	75,012
Office Equipment	2,687	2,140
Plant and Equipment	13,270	-
Furniture and Fittings	7,021	8,358
	162,176	87,062

Cost or valuation	Buildings Improvements $	Motor Vehicles $	Office Equipment $	Plant and Equipment $	Furniture and Fittings $	Total $
Balance at 1 April 2014 (Unaudited)	2,180	35,620	6,621	-	11,534	55,955
Additions	-	68,609	608	-	348	69,565
Disposals	-	-	-	-	-	-
Balance at 31 March 2015 (Unaudited)	2,180	104,229	7,229	-	11,882	125,520
Additions	5,485	86,545	3,586	15,391	-	111,007
Disposals	-	(12,511)	(5,579)	-	-	(18,090)
Balance at 31 March 2016 (Audited)	7,665	178,263	5,236	15,391	11,882	218,437

Accumulated depreciation	Buildings Improvements $	Motor Vehicles $	Office Equipment $	Plant and Equipment $	Furniture and Fittings $	Total $
Balance at 1 April 2014 (Unaudited)	(465)	(14,385)	(3,998)	-	(1,971)	(20,819)
Eliminated on disposals of assets	-	-	-	-	-	-
Depreciation expense	(163)	(14,832)	(1,091)	-	(1,553)	(17,639)
Disposals	-	-	-	-	-	-
Balance at 31 March 2015 (Unaudited)	(628)	(29,217)	(5,089)	-	(3,524)	(38,458)
Eliminated on disposals of assets	-	-	-	-	-	-
Depreciation expense	(284)	(23,183)	(1,149)	(2,121)	(1,337)	(28,074)
Disposals	-	6,582	3,689	-	-	10,271
Balance at 31 March 2016 (Audited)	(912)	(45,818)	(2,549)	(2,121)	(4,861)	(56,261)

10. Inventories

	31/03/2016 Audited $	31/03/2015 Unaudited $
Finished goods	21,364	16,000
	21,364	16,000

11. Trade and other receivables

	31/03/2016 Audited $	31/03/2015 Unaudited $
Trade receivables	416,418	197,513
Allowance for doubtful debts	-	-
Prepayments and other receivables	248,829	19,187
	665,247	216,700

Cash receipts are normally received before the goods or service is delivered or they are cash sales, therefore the debtors balance is low compared to the revenue. The average credit period on sales of goods and rendering of services is 60 days. No interest is charged on trade receivables. The Company has recognised an allowance for doubtful debts of 100% against all receivables over 120 days because historical experience has been that receivables that are past due beyond 120 days are not recoverable. Allowances for doubtful debts are recognised against trade receivables between 60 days and 120 days based on estimated irrecoverable amounts determined by reference to past default experience of the counterparty and an analysis of the counterparty's current financial position. There are no doubtful debts in the current year (2015: $Nil).

There are no amounts past due at the end of the current year (2015: $Nil).

In determining the recoverability of a trade receivable, the Company considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the end of the reporting period. The concentration of credit risk is limited due to the fact that the customer base is large and unrelated. There are no individually impaired trade receivables recognised. The Company does not hold any collateral over these balances.

12. Trade and other payables

	31/03/2016 Audited $	31/03/2015 Unaudited $
Trade payables	1,124,889	505,000
Deferred revenue	100,632	-
Audit Fee Accrual	47,000	-
Employee Benefits Accrual	33,833	2,698
	1,306,354	507,698

The average credit period on purchases is 60 days. No interest is charged on the trade payables. The Company has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

13. Cash and cash equivalents

	31/03/2016 Audited $	31/03/2015 Unaudited $
Cash at bank and on hand	341,989	169,104
	341,989	169,104

14. Retained earnings and dividends on equity instruments

	31/03/2016 Audited $	31/03/2015 Unaudited $
Retained earnings	248,825	364,393

	Year ended 31/03/2016 Audited $	Year ended 31/03/2015 Unaudited $
Balance at beginning of year	364,393	144,515
Profit attributable to owners of the Company	353,828	219,878
Payment of dividends	(469,396)	-
Balance at end of year	248,825	364,393

On 31 March 2016, a dividend of $469k was paid to the holder of fully paid ordinary shares. In prior year, the dividend paid was nil.

15. Earnings per share

	31/03/2016 Audited $	31/03/2015 Unaudited $
Basic earnings per share	3,538	2,199
Diluted earnings per share	3,538	2,199

15.1 Basic earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of the basic earnings per share are as follows.

	31/03/2016 Audited	31/03/2015 Unaudited
Profit for the year attributable to owners of the Company ($)	353,828	219,878
Weighted average number of ordinary shares for the purposes of basic earnings per share	100	100

15.2 Diluted earnings per share

The earnings used in the calculation of diluted earnings per share are as follows.

	31/03/2016 Audited	31/03/2015 Unaudited
Profit for the year attributable to owners of the Company ($)	353,828	219,878
Weighted average number of ordinary shares for the purposes of diluted earnings per share	100	100

16. Issued capital

	31/03/2016 Audited $	31/03/2015 Unaudited $
Issued, fully paid capital comprises:		
100 fully paid ordinary shares (31 March 2015: 100)	100	100

Fully paid ordinary shares carry one vote per share, carry a right to dividends and a pro rata share of net assets on wind up after repayment of the other payables.

17. Financial instruments

17.1 Capital management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to stakeholder through the optimisation of the debt and equity balance.

The capital structure of the Company consists of equity of the Company (comprising issued capital and retained earnings).

The Company is not subject to any externally imposed capital requirements.

17.2 Categories of financial instruments

As at 31 March 2016	Loans and Receivables	Financial Liabilities at Amortised cost	Total
Assets			
Cash and cash equivalents	341,989	-	341,989
Trade receivables	665,247	-	665,247
Loan to shareholder	554,295	-	554,295
Total Financial Assets	1,561,531	-	1,561,531
Total Non-Financial Assets			21,364
Total Assets			1,582,895
Liabilities			
Trade and other payables	-	1,306,354	1,306,354
Total Financial Liabilities	-	1,306,354	1,306,354
Total Non-Financial Liabilities			235,058
Total Liabilities			1,541,412

As at 31 March 2015 (Unaudited)	Loans and Receivables	Financial Liabilities at Amortised cost	Total
Assets			
Cash and cash equivalents	169,104	-	169,104
Trade receivables	216,700	-	216,700
Loan to shareholder	430,424	-	430,424
Total Financial Assets	816,228	-	816,228
Total Non-Financial Assets			16,000
Total Assets			832,228
Liabilities			
Trade and other payables	-	507,698	507,698
Total Financial Liabilities	-	507,698	507,698
Total Non-Financial Liabilities			47,099
Total Liabilities			554,797

17.3 Financial risk management objectives

The Company's activities expose it to a variety of financial risks; market risk, credit risk and liquidity risk.

17.3.1 Market risk

The Company's activities expose it primarily to financial risks of changes in foreign currency exchange rates and interest rates. The Company undertakes certain transactions denominated in foreign currencies, hence exposures to exchange rate fluctuations arise. Exchange rate exposures are currently not managed as the foreign currency exposure is not material enough to warrant the use of foreign exchange contracts and foreign exchange option contracts.

Foreign currency risk management

The Company undertakes certain transactions denominated in foreign currencies, hence exposures to exchange rate fluctuations arise. Exchange rate exposures are currently not managed as the foreign currency exposure is not material enough to warrant the use of foreign exchange contracts and foreign option contracts. There are no forward or options contracts held by the Company at year end.

In the current year, there were no material transactions denominated in foreign currencies.

17.4 Interest rate risk management
The Company is not subject to interest rate risk as it does not have any external debt.

17.5 Credit risk management
Credit risk arises from the financial assets of the Company which comprise cash and cash equivalents, receivables, loan to shareholder and other current assets. The Company's credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. This information is supplied by independent rating agencies where available and, if not available, the Company uses other publicly available financial information and its own trading records to rate its major customers.

The carrying amounts shown on the statement of financial position represents the Company's maximum exposure to credit risk.

17.6 Liquidity risk management
Ultimate responsibility for liquidity risk management rests with the director, who has established an appropriate liquidity risk management framework for the management of the Company's funding and liquidity management requirements. All accounts and other payable balances are payable within 12 months.

18. Related party Disclosures

Details of transactions between the Company and other related parties are disclosed below.

18.1 Trading transactions

During the year, the Company entered into the following trading transactions with related parties:

	Purchases of services	
	31/03/2016	31/03/2015
	Audited	Unaudited
	$	$
Ditu International Logistics Company Limited	4,397,635	2,375,313

The following balances were outstanding at the end of the reporting period:

	Amounts owed to related parties	
	31/03/2016	31/03/2015
	Audited	Unaudited
	$	$
Ditu International Logistics Company Limited	551,536	505,000

Purchases were made at market price discounted to reflect the quantity of goods purchased and the relationships between the parties.

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. No expense has been recognised in the current or prior years for bad or doubtful debts in respect of the amounts owed by related parties.

18.2 Loans to related parties

	31/03/2016	31/03/2015
	Audited	Unaudited
	$	$
Loan to Shareholder	554,295	430,424

The Company has provided the Shareholder with a short-term loan at rates comparable to the average commercial rate of interest. The loan to shareholder is unsecured. The loan is repayable on demand.

Interest income of $24,559 (2015: $17,071) has been recognised in respect of this loan.

18.3 Compensation of key management personnel

The remuneration to the director during the year was $100,000 (2015: $52,000). There were no other payments made to key management personnel.

19. Non-cancellable operating lease commitments

	31/03/2016	31/03/2015
	Audited	Unaudited
	$	$
Not later than 1 year	133,596	75,000
Later than 1 year and not later than 5 years	276,785	244,110
Later than 5 years	-	-
	410,381	319,110

New Y Trading Limited
Notes to the financial statements
for the year ended 31 March 2016

20. Reconciliation of net operating cash flows to profit/loss

	31/03/2016 Audited $	31/03/2015 Unaudited $
Cash flows from operating activities		
Profit for the year	353,828	219,878
Adjustments for:		
Income tax expose recognised in profit or loss	216,992	47,099
Depreciation and amortization	28,074	17,639
(Gain)/Loss on Disposal of PPE	4,341	-
FBT contribution	-	-
Interest paid	1,582	784
Interest received	(24,559)	(17,071)
Shareholder salary and accruals	155,079	-
	735,337	268,329
Movements in working capital:		
(Increase) / decrease in Debtors	(448,547)	(186,944)
Increase / (decrease) in Creditors	724,649	406,344
(increase)/decrease in inventory	(5,364)	(13,219)
Cash generated from operations	1,006,075	474,510
Interest paid	(1,582)	(784)
Income taxes paid	(74,299)	(33,661)
Net cash generated by operating activities	930,194	440,065

21. Events after the reporting period

On 31 March 2017, New Y Trading Limited was acquired by QEX Logistics Limited for a consideration of $1,495,379.

On 1 February 2017, the company entered into an International Trade Facility of $750,000 and Foreign Exchange Facility of $100,000 with Westpac.

22. Approval of financial statements

The financial statements were approved by the director and authorised for issue on 14 August 2017.

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF
New Y Trading Limited

Report on the Financial Statements

We have audited the accompanying financial statements of New Y Trading Limited (the 'Company') on pages 4 to 22, which comprise the statement of financial position as at 31 March 2016, and the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

This report is made solely to the Company's shareholders, as a body, in accordance with Section 207B of the Companies Act 1993. Our audit has been undertaken so that we might state to the Company's shareholders 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's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Board of Directors' Responsibility for the Financial Statements

The Board of Directors are responsible on behalf of the Company for the preparation and fair presentation of these financial statements, in accordance with New Zealand Equivalents to International Financial Reporting Standards and International Financial Reporting Standards, and for such internal control as the Board of Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates, as well as the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other than in our capacity as auditor and the review of controls within the Company, assistance with first time adoption of IFRS and associated financial statements, we have no relationship with or interests in the Company. These services have not impaired our independence as auditor of the Company.

Opinion

In our opinion, the financial statements on pages 4 to 22 present fairly, in all material respects, the financial position of New Y Trading Limited as at 31 March 2016, and its financial performance and cash flows for the year then ended in accordance with New Zealand Equivalents to International Financial Reporting Standards and International Financial Reporting Standards.

Other Matter

We were appointed auditors of New Y Trading Limited during the year ended 31 March 2016. The corresponding figures for the year ended 31 March 2015 and the statement of financial position as at 1 April 2014 are unaudited.

Deloitte Limited

Deloitte Limited

Chartered Accountants
14 August 2017
Auckland, New Zealand