

Registered number
02880348

Beijing Tong Ren Tang (UK) Limited

Report and Accounts

31 December 2016

THURSDAY



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28/09/2017
COMPANIES HOUSE

Beijing Tong Ren Tang (UK) Limited
Registered number: 02880348
Directors' Report

The directors present their report and accounts for the year ended 31 December 2016.

Directors

The following persons served as directors during the year:

Chin Yu Lo

Kin Sum Chan

Directors' responsibilities

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

Company law requires the directors to prepare accounts for each financial year. Under that law the directors have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each person who was a director at the time this report was approved confirms that:

- so far as he is aware, there is no relevant audit information of which the company's auditor is unaware; and
- he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Small company provisions

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

This report was approved by the board on 27 September 2017 and signed on its behalf.

Chin Yu Lo
Director



Beijing Tong Ren Tang (UK) Limited
Independent auditor's report
to the members of Beijing Tong Ren Tang (UK) Limited

Opinion

We have audited the accounts of Beijing Tong Ren Tang (UK) Limited for the year ended 31 December 2016 which comprise the Profit and Loss Account, the Balance Sheet and notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the accounts:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the accounts section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out below, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the accounts is not appropriate; or
- the directors have not disclosed in the accounts any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the accounts are authorised for issue.

Other information

The other information comprises the information included in the report and accounts, other than the accounts and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the accounts does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Beijing Tong Ren Tang (UK) Limited
Independent auditor's report
to the members of Beijing Tong Ren Tang (UK) Limited

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the accounts in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

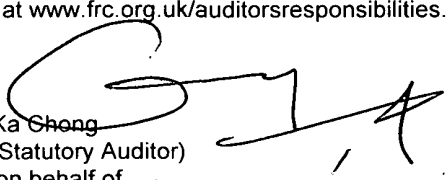
As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the directors are responsible for 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these accounts.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.



Chong Ka Chong
(Senior Statutory Auditor)
for and on behalf of
Chong & Associates
Accountants and Statutory Auditors
27 September 2017

1 Beaufort Garden
London
NW4 3QN

Beijing Tong Ren Tang (UK) Limited
Profit and Loss Account
for the year ended 31 December 2016

	2016 £	2015 £
Turnover	521,607	617,980
Cost of sales	(133,550)	(227,578)
Gross profit	<u>388,057</u>	<u>390,402</u>
Administrative expenses	(756,810)	(546,090)
Other operating income	28,416	-
Operating loss	<u>(340,337)</u>	<u>(155,688)</u>
Loss on ordinary activities before taxation	<u>(340,337)</u>	<u>(155,688)</u>
Tax on loss on ordinary activities	-	-
Loss for the financial year	<u>(340,337)</u>	<u>(155,688)</u>

Beijing Tong Ren Tang (UK) Limited
Registered number: 02880348
Balance Sheet
as at 31 December 2016

	Notes	2016 £	2015 £
Fixed assets			
Tangible assets	4	23,874	30,897
Current assets			
Stocks		176,557	225,118
Debtors	5	72,365	67,975
Cash at bank and in hand		61,794	87,862
		<u>310,716</u>	<u>380,955</u>
Creditors: amounts falling due within one year	6	(1,323,467)	(1,060,390)
Net current liabilities		<u>(1,012,751)</u>	<u>(679,435)</u>
Net liabilities		<u>(988,877)</u>	<u>(648,538)</u>
Capital and reserves			
Called up share capital		80,000	80,000
Profit and loss account		(1,068,877)	(728,538)
Shareholders' funds		<u>(988,877)</u>	<u>(648,538)</u>

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



Chin Yu Lo
Director

Approved by the board on 27 September 2017

Beijing Tong Ren Tang (UK) Limited
Notes to the Accounts
for the year ended 31 December 2016

1 Accounting policies

Basis of preparation

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

Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services. Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer.

Tangible fixed assets

Tangible fixed assets are measured at cost less accumulative depreciation and any accumulative impairment losses. Depreciation is provided on all tangible fixed assets, as follows:

Leasehold amortisation	over the lease terms
Plant and machinery	20% on reducing balance

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first in first out method. The carrying amount of stock sold is recognised as an expense in the period in which the related revenue is recognised.

Debtors

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts. Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, less any impairment losses for bad and doubtful debts.

Creditors

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

Taxation

A current tax liability is recognised for the tax payable on the taxable profit of the current and past periods. A current tax asset is recognised in respect of a tax loss that can be carried back to recover tax paid in a previous period. Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference, except for revalued land and investment property where the tax rate that applies to the sale of the asset is used. Current and deferred tax assets and liabilities are not discounted.

Provisions

Beijing Tong Ren Tang (UK) Limited
Notes to the Accounts
for the year ended 31 December 2016

Provisions (ie liabilities of uncertain timing or amount) are recognised when there is an obligation at the reporting date as a result of a past event, it is probable that economic benefit will be transferred to settle the obligation and the amount of the obligation can be estimated reliably.

Foreign currency translation

Transactions in foreign currencies are initially recognised at the rate of exchange ruling at the date of the transaction. At the end of each reporting period foreign currency monetary items are translated at the closing rate of exchange. Non-monetary items that are measured at historical cost are translated at the rate ruling at the date of the transaction. All differences are charged to profit or loss.

Leased assets

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. All other leases are classified as operating leases. The rights of use and obligations under finance leases are initially recognised as assets and liabilities at amounts equal to the fair value of the leased assets or, if lower, the present value of the minimum lease payments. Minimum lease payments are apportioned between the finance charge and the reduction in the outstanding liability using the effective interest rate method. The finance charge is allocated to each period during the lease so as to produce a constant periodic rate of interest on the remaining balance of the liability. Leased assets are depreciated in accordance with the company's policy for tangible fixed assets. If there is no reasonable certainty that ownership will be obtained at the end of the lease term, the asset is depreciated over the lower of the lease term and its useful life. Operating lease payments are recognised as an expense on a straight line basis over the lease term.

Related Parties

Two parties are considered to be related if one party has the ability, directly or indirectly to control the other party or exercise significant influence over the other party in making financial and operating decision. Parties are also considered to be related if they are subject to common control or common significant influence.

Going Concern

Directors of the related company has indicated that they will not demand repayment and formal agreement is in place. Directors have indicated that this support will continue for the foreseeable future. The directors having considered the above and made due enquiries, continue to adopt the going concern basis in preparing the financial statements which assume that the company will continue in operation for the foreseeable future. For 31 December 2016 the trade creditors due to Hong Kong fellow subsidiary at £1,311,317 (HK\$12,496,069) of which £933,952 (HK\$8,900,000) was provided for as impairment loss.

2 Audit information

The audit report is unqualified.

Senior statutory auditor:	Chong Ka Chong
Firm:	Chong & Associates
Date of audit report:	27-Sep-17

3 Operating Loss

	2016	2015
	£	£
Depreciation of Owned fixed assets	7,023	7,023
Director's remuneration	10,470	39,000
Auditors' remuneration	4,000	4,000
	<u>21,493</u>	<u>50,023</u>

Beijing Tong Ren Tang (UK) Limited
Notes to the Accounts
for the year ended 31 December 2016

4 Tangible fixed assets

	Leasehold £	Plant and machinery £	Total £
Cost			
At 1 January 2016	119,971	393,733	513,704
At 31 December 2016	119,971	393,733	513,704
Depreciation			
At 1 January 2016	104,709	378,098	482,807
Charge for the year	1,813	5,210	7,023
At 31 December 2016	106,522	383,308	489,830
Net book value			
At 31 December 2016	13,449	10,425	23,874
At 31 December 2015	15,262	15,635	30,897

5 Debtors

	2016 £	2015 £
Trade debtors	1,004	97
Other debtors Prepayment	52,310	48,827
Other debtors rent deposit	19,051	19,051
	<u>72,365</u>	<u>67,975</u>

6 Creditors: amounts falling due within one year

	2016 £	2015 £
Trade Creditors	1,322,131	1,060,030
Other taxes and social security costs	(2,664)	(3,640)
Other creditors	4,000	4,000
	<u>1,323,467</u>	<u>1,060,390</u>

7 Financial Instrument

The company recognises a financial asset or financial liability when it becomes a party to the contractual provisions of the instrument. It initially measures the financial instrument at fair value, plus in case of a financial assets or financial liability not at fair value through profit and loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or liability.

8 Other information

Beijing Tong Ren Tang (UK) Limited is a private company limited by shares and incorporated in England. Its registered office is:

124 Shaftesbury Avenue
London
W1D 5ES