

Registered number  
02880348

Beijing Tong Ren Tang (UK) Limited

Report and Accounts

31 December 2013

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

The directors present their report and accounts for the year ended 31 December 2013.

**Principal activities**

The company's principal activity during the year continued to be wholesale and retail herbal remedies.

**Directors**

The following persons served as directors during the year:

Chin Yu Lo  
Kin Sum Chan

**Disclosure of information to auditors**

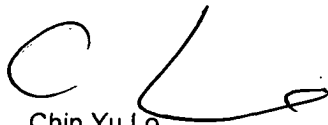
Each person who was a director at the time this report was approved confirms that:

- 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 12 August 2014 and signed on its behalf.



Chin Yu Lo  
Director

## **Beijing Tong Ren Tang (UK) Limited**

### **Statement of 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.

**Beijing Tong Ren Tang (UK) Limited**  
**Independent auditors' report**  
**to the members of Beijing Tong Ren Tang (UK) Limited**

We have audited the accounts of Beijing Tong Ren Tang (UK) Limited for the year ended 31 December 2013 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard For Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

**Respective responsibilities of directors and auditors**

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

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

**Scope of the audit of the accounts**

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm)

**Opinion on the accounts**

In our opinion the accounts:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

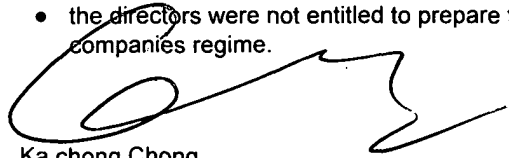
**Opinion on other matters prescribed by the Companies Act 2006**

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

**Matters on which we are required to report by exception**

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

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



Ka chong Chong  
(Senior Statutory Auditor)

for and on behalf of  
Chong & associates  
Accountants and Statutory Auditors  
12 August 2014

1 Beaufort Gardens  
London  
NW4 3QN

**Beijing Tong Ren Tang (UK) Limited**  
**Profit and Loss Account**  
**for the year ended 31 December 2013**

	<b>Notes</b>	<b>2013</b> <b>£</b>	<b>2012</b> <b>£</b>
<b>Turnover</b>		720,953	750,056
Cost of sales		(295,587)	(228,377)
<b>Gross profit</b>		<u>425,366</u>	<u>521,679</u>
Administrative expenses		(543,435)	(608,065)
<b>Operating loss</b>	2	<u>(118,069)</u>	<u>(86,386)</u>
Interest receivable		-	309
<b>Loss on ordinary activities before taxation</b>		<u>(118,069)</u>	<u>(86,077)</u>
Tax on loss on ordinary activities		-	-
<b>Loss for the financial year</b>		<u>(118,069)</u>	<u>(86,077)</u>

**Beijing Tong Ren Tang (UK) Limited**  
**Balance Sheet**  
**as at 31 December 2013**

	Notes	2013 £	2012 £
<b>Fixed assets</b>			
Tangible assets	3	44,943	58,859
<b>Current assets</b>			
Stocks		313,728	490,108
Debtors	4	86,783	81,191
Cash at bank and in hand		148,226	131,318
		<u>548,737</u>	<u>702,617</u>
<b>Creditors: amounts falling due within one year</b>	5	(909,382)	(959,109)
<b>Net current liabilities</b>		<u>(360,645)</u>	<u>(256,492)</u>
<b>Net liabilities</b>		<u>(315,702)</u>	<u>(197,633)</u>
<b>Capital and reserves</b>			
Called up share capital	6	80,000	80,000
Profit and loss account	7	(395,702)	(277,633)
<b>Shareholders' funds</b>		<u>(315,702)</u>	<u>(197,633)</u>

The accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.



Chin Yu Lo  
Director

Approved by the board on 12 August 2014

**Beijing Tong Ren Tang (UK) Limited**  
**Notes to the Accounts**  
**for the year ended 31 December 2013**

**1 Accounting policies**

***Basis of preparation***

The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

***Turnover***

Turnover represents the value, net of value added tax and discounts, of goods provided to customers and work carried out in respect of services provided to customers.

***Depreciation***

Depreciation has been provided at the following rates in order to write off the assets over their estimated useful lives.

Plant and machinery	20% reducing balance
Motor van	20% reducing balance

***Stocks***

Stock is valued at the lower of cost and net realisable value.

***Deferred taxation***

Full provision is made for deferred taxation resulting from timing differences between the recognition of gains and losses in the accounts and their recognition for tax purposes. Deferred taxation is calculated on an un-discounted basis at the tax rates which are expected to apply in the periods when the timing differences will reverse.

***Foreign currencies***

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

***Leasing and hire purchase commitments***

Assets held under finance leases and hire purchase contracts, which are those where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet and depreciated over their useful lives. The corresponding lease or hire purchase obligation is treated in the balance sheet as a liability.

The interest element of the rental obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

**2 Operating profit**

<b>2013</b>	<b>2012</b>
<b>£</b>	<b>£</b>

This is stated after charging:

Depreciation of owned fixed assets	6,513	9,538
Amortisation of lease	1,817	1,817

**Beijing Tong Ren Tang (UK) Limited**  
**Notes to the Accounts**  
**for the year ended 31 December 2013**

Directors' remuneration	39,000	39,000
Auditors' remuneration	4,000	4,000

**3 Tangible fixed assets**

	<b>Leasehold</b>	<b>Plant and</b>	<b>Motor</b>	<b>Total</b>
	<b>£</b>	<b>machinery</b>	<b>vehicles</b>	<b>£</b>
<b>Cost</b>		<b>£</b>	<b>£</b>	
At 1 January 2013	119,971	393,733	22,393	536,097
Disposals	-	-	(22,393)	(22,393)
At 31 December 2013	119,971	393,733	-	513,704
<b>Depreciation</b>				
At 1 January 2013	99,266	361,165	16,807	477,238
Charge for the year	1,817	6,513	-	8,330
On disposals	-	-	(16,807)	(16,807)
At 31 December 2013	101,083	367,678	-	468,761
<b>Net book value</b>				
At 31 December 2013	18,888	26,055	-	44,943
At 31 December 2012	20,705	32,568	5,586	58,859

**4 Debtors**

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Trade debtors	15,916	12,541
Prepayment	51,816	49,599
Other debtors	19,051	19,051
	86,783	81,191

**5 Creditors: amounts falling due within one year**

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Trade creditors	913,370	958,805
Other taxes and social security costs	(9,144)	(4,296)
Other creditors	5,156	4,600
	909,382	959,109

**6 Share capital**

	<b>Nominal</b>	<b>2013</b>	<b>2013</b>	<b>2012</b>
	<b>value</b>	<b>Number</b>	<b>£</b>	<b>£</b>
Allotted, called up and fully paid:				
Ordinary shares	£1 each	80,000	80,000	80,000

**7 Profit and loss account**

<b>2013</b>	<b>2012</b>
<b>£</b>	<b>£</b>



**Beijing Tong Ren Tang (UK) Limited**  
**Notes to the Accounts**  
**for the year ended 31 December 2013**

At 1 January 2013	(277,633)	(191,556)
Loss for the year	(118,069)	(86,077)
At 31 December 2013	<u>(395,702)</u>	<u>(277,633)</u>

**8 Related Parties**

Included in the Balance Sheet at the year end Trade Creditors, a balance is due to Beijing Tong Ren Tang HK Medicine Management Limited, an associated company, amounting to £916,287 (2012 : £958,174), a balance due from Guangzhou Kang He Pharmaceutical Limited amounting to £2917 ( 2012 : £332 cr ).

During the year the company made purchases and sales from and to Beijing Tong Ren Tang HK Medicine Management Limited £20,404 (2012:£3,958) and £26,688 (2012 : £16,635) respectively. and paid warehouse rent to the Hong Kong company the sum of £0 ( 2012 : £3,990)  
The company made purchases from Hip Wo Medicine Company Limited, amounting to £18,107 (2012 : £30,477) The company made purchases from Guangzhou Kang He Pharmaceutical Limited amounting to £ 37,815 (2012: £20,314) The company made sales to Guangzhou Kang He Pharmaceutical (Hong Kong) Company Limited £2,996

**9 Other financial commitments**

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>

Under operating lease commitment , the leasehold shop premises at  
124, Shaftesbury Avenue London W1D 5ES

Operating leases which expire:

within one year	125,000	125,000
within two to five years	375,000	375,000
Later years	937,500	1,187,500
	<u>1,437,500</u>	<u>1,687,500</u>

Under operating lease commitment , the leasehold warehouse premises at  
Unit 19 Commercial Way Abbey Road Industrial Est. London NW10 7XF

Operating leases which expire:

within one year	64,852	64,852
within two to five years	259,408	259,408
Later years	97,278	226,982
	<u>421,538</u>	<u>551,242</u>