

Registered number  
02880348

Beijing Tong Ren Tang (UK) Limited

Report and Accounts

31 December 2018

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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 2018.

**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 16 September 2019 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 2018 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 2018 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

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.

  
**Ka Chong Chong**  
(Senior Statutory Auditor)  
for and on behalf of  
Chong & Associates  
Accountants and Statutory Auditors  
16 September 2019

1 Beaufort Garden  
London  
NW4 3QN

**Beijing Tong Ren Tang (UK) Limited**  
**Profit and Loss Account**  
**for the year ended 31 December 2018**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Turnover</b>	518,681	452,548
Cost of sales	(97,876)	(81,969)
<b>Gross profit</b>	<u>420,805</u>	<u>370,579</u>
Administrative expenses	(538,813)	(377,667)
Other operating income	6,772	43,340
<b>Operating (loss)/profit</b>	<u>(111,236)</u>	<u>36,252</u>
Tax on profit	-	-
<b>Loss for the financial year</b>	<u>(111,236)</u>	<u>36,252</u>

**Beijing Tong Ren Tang (UK) Limited**  
**Registered number:** 02880348  
**Balance Sheet**  
**as at 31 December 2018**

	Notes	2018 £	2017 £
<b>Fixed assets</b>			
Tangible assets	4	9,823	16,851
		<u>9,823</u>	<u>16,851</u>
<b>Current assets</b>			
Stocks		159,445	173,343
Debtors	5	53,275	53,417
Cash at bank and in hand		58,317	55,662
		<u>271,037</u>	<u>282,422</u>
<b>Creditors: amounts falling due within one year</b>	6	(1,344,721)	(1,251,898)
<b>Net current liabilities</b>		<u>(1,073,684)</u>	<u>(969,476)</u>
<b>Total assets less current liabilities</b>		<u>(1,063,861)</u>	<u>(952,625)</u>
<b>Net liabilities</b>		<u>(1,063,861)</u>	<u>(952,625)</u>
<b>Capital and reserves</b>			
Called up share capital		80,000	80,000
Profit and loss account		(1,143,861)	(1,032,625)
<b>Shareholders' funds</b>		<u>(1,063,861)</u>	<u>(952,625)</u>

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

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 16 September 2019

**Beijing Tong Ren Tang (UK) Limited**  
**Notes to the Accounts**  
**for the year ended 31 December 2018**

**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. Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs.

***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, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Leasehold	over the lease term
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***

**Beijing Tong Ren Tang (UK) Limited**  
**Notes to the Accounts**  
**for the year ended 31 December 2018**

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***

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 2018 the trade creditors due to Hong Kong fellow company at £1,339,046 of which £990,000 was provided for as impairment loss

**2 Audit information**

The audit report is unqualified.



**Beijing Tong Ren Tang (UK) Limited**  
**Notes to the Accounts**  
**for the year ended 31 December 2018**

Senior statutory auditor: Mr Ka Chong Chong  
Firm: Chong & Associates  
Date of audit report: 16 September 2019

<b>3 Operating Loss</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Depreciation	5215	5210
Amortization	1813	1813
Director Remuneration	12000	12000
Auditor Remuneration	4000	4000

<b>4 Tangible fixed assets</b>		<b>Plant and machinery</b>	
	<b>Leasehold</b>		<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>			
At 1 January 2018	119,971	393,733	513,704
At 31 December 2018	119,971	393,733	513,704
<b>Depreciation</b>			
At 1 January 2018	108,335	388,518	496,853
Charge for the year	1,813	5,215	7,028
At 31 December 2018	110,148	393,733	503,881
<b>Net book value</b>			
At 31 December 2018	9,823	-	9,823
At 31 December 2017	11,636	5,215	16,851

<b>5 Debtors</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Trade debtors	(417)	-
Prepayment	34,641	34,366
Other debtors	19,051	19,051
	53,275	53,417

<b>6 Creditors: amounts falling due within one year</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Trade creditors	1,341,906	1,257,794
Taxation and social security costs	(8,695)	(9,896)
Other creditors	11,510	4,000
	1,344,721	1,251,898

**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 asset 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