

# Carlo Pazolini UK Limited

Abbreviated Accounts

For the year ended 31 December 2015

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30/09/2016

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COMPANIES HOUSE

# Carlo Pazolini UK Limited

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# Carlo Pazolini UK Limited

## Independent Auditors' Report to Carlo Pazolini UK Limited

### Under section 449 of the Companies Act 2006

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We have examined the abbreviated accounts set out on pages 1 to 7, together with the financial statements of Carlo Pazolini UK Limited for the year ended 31 December 2015 prepared under section 396 of the Companies Act 2006.

This report is made solely to the company in accordance with Chapter 10 of Part 15 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' 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, for our work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of the director and auditors**

The director is responsible for preparing the abbreviated accounts in accordance with section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

#### **Opinion**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 444(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.

#### **Other information**

On 29/3/16 we reported, as auditors of Carlo Pazolini UK Limited, to the members on the financial statements prepared under section 396 of the Companies Act 2006 for the year ended 31 December 2015, and our report was as follows:

We have audited the financial statements of Carlo Pazolini UK Limited for the year ended 31 December 2015 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 January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 auditors' 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.

#### **Respective responsibilities of the director and auditors**

As explained more fully in the Director's Responsibilities Statement, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements 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 Ethical Standards for Auditors.

# Carlo Pazolini UK Limited

## Independent Auditors' Report to Carlo Pazolini UK Limited (Continued)

### Under section 449 of the Companies Act 2006

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#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the director; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Director's Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Basis of adverse opinion on the financial statements**

As explained in note 1.1 to the financial statements the company has been unable to obtain guarantees from its shareholders that it will support it financially for the foreseeable future. This creates significant uncertainties about whether the company will continue as a going concern and, therefore, it may be unable to realise its assets and discharge its liabilities in the normal course of business. The financial statements (and notes thereto) do not disclose this fact and have been prepared on the going concern basis.

#### **Adverse opinion on financial statements**

In our opinion, because of the significance of the matter described in the Basis for Adverse Opinion paragraph:

- the financial statements do not give a true and fair view of the state of the company's affairs as at 31 December 2015 and of its loss for the year then ended; and
- have not been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

In all other respects, in our opinion the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

# Carlo Pazolini UK Limited

## Independent Auditors' Report to Carlo Pazolini UK Limited (Continued)

Under section 449 of the Companies Act 2006

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### Opinion on other matter prescribed by the Companies Act 2006

Notwithstanding our adverse opinion on the financial statements, in our opinion the information given in the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### 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 financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the director was not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the director's report and from preparing a strategic report.

*Kingston Smith LLP*

Chris Lane (Senior Statutory Auditor)  
for and on behalf of Kingston Smith LLP

*29/9/16*

Chartered Accountants  
Statutory Auditor

Devonshire House  
60 Goswell Road  
London  
EC1M 7AD

# Carlo Pazolini UK Limited

## Abbreviated Balance Sheet

As at 31 December 2015

	Notes	2015 £	£	2014 £	£
<b>Fixed assets</b>					
Tangible assets	2		-		554,589
<b>Current assets</b>					
Stocks		322,053		977,930	
Debtors		1,595,565		1,741,832	
Cash at bank and in hand		57,082		97,135	
		<u>1,974,700</u>		<u>2,816,897</u>	
<b>Creditors: amounts falling due within one year</b>		<u>(1,070,504)</u>		<u>(580,269)</u>	
<b>Net current assets</b>			904,196		2,236,628
<b>Total assets less current liabilities</b>			<u>904,196</u>		<u>2,791,217</u>
<b>Capital and reserves</b>					
Called up share capital	3		7,400,000		7,400,000
Profit and loss account			(6,495,804)		(4,608,783)
<b>Shareholders' funds</b>			<u>904,196</u>		<u>2,791,217</u>

These abbreviated financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the Board for issue on ... 28/08/2016

S Domenella  
Director

Company Registration No. 07263185

# Carlo Pazolini UK Limited

## Notes to the Abbreviated Accounts

For the year ended 31 December 2015

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### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

##### Going concern

The company has incurred a loss of £1,887,021 (2014: £1,502,408) for the year ended 31 December 2015 and at the balance sheet date Fortune Production BV owed the company £822,000 (2014: £822,000).

The company may need additional funding over the next 12 months to meet its working capital requirements. Company affairs are uncomplicated and costs can be controlled easily, the director has a reasonable expectation that the company will have adequate resources to continue in operational existence for a period of at least 12 months from the date these financial statements are signed. For these reasons, the director continues to adopt the going concern basis of accounting in preparing the annual financial statements.

#### 1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

#### 1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

#### 1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Computer equipment	3 years on a straight line basis
Store fit out	7 years on a straight line basis

#### 1.5 Foreign currency translation

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

# Carlo Pazolini UK Limited

## Notes to the Abbreviated Accounts (Continued)

For the year ended 31 December 2015

### 2 Fixed assets

	Tangible assets £
<b>Cost</b>	
At 1 January 2015	824,936
Disposals	(395,947)
At 31 December 2015	-
<b>Depreciation</b>	
At 1 January 2015	270,347
On disposals	(387,828)
Charge for the year	117,481
At 31 December 2015	-
<b>Net book value</b>	
At 31 December 2015	-
At 31 December 2014	554,589

### 3 Share capital

	2015 £	2014 £
<b>Allotted, called up and fully paid</b>		
7,400,000 Ordinary shares of £1 each	7,400,000	7,400,000



# Carlo Pazolini UK Limited

## Notes to the Abbreviated Accounts (Continued)

For the year ended 31 December 2015

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### 4 Control

The ultimate controlling party is TMA Private Foundation, an entity incorporated in Curacao. The immediate parent company is Fortune Production B.V., a company incorporated in the Netherlands.

The largest and smallest group in which the results of the company are consolidated is that headed by Carlo Pazolini Holding N.V., incorporated in Curacao. The consolidated accounts are not publicly available.

#### Related party transactions

At the balance sheet date, Fortune Production B.V. owed the company £822,000 (2014: £822,000 ).

During the year Carlo Pazolini UK Ltd made purchases of £110,870 (2014: £186,681 ) from Carlo Pazolini Participations S.a.r.l. At the balance sheet date, the company owed £110,870 (2014 : £42,135 ) to Carlo Pazolini Participations S.a.r.l .

During the year the company made purchases of £458,829 (2014 : £1,087,928) from Carlo Pazolini (Switzerland) SA. At the balance sheet date the company owed £609,250 (2014 : £218,228) to Carlo Pazolini (Switzerland) SA .

During the year the company made sales to Carlo Pazolini Trade Limited of £nil (2014: £607,948) and purchased from Carlo Pazolini Trade Limited £544 (2014: £97,461) . At the balance sheet date , the company was owed £552,853 from Carlo Pazolini Trade Limited (2014: the company was owed £592,232).

During the year the company made sales to Carlo Pazolini S.r.l of £140,546 and purchased from Carlo Pazolini S.r.l £14,356. At the balance sheet date, the company was owed £3,453 from Carlo Pazolini S.r.l.