

Registered number
10415677

Huishan Zhang Retail Limited

Unaudited Filleted Accounts

30 September 2021

Huishan Zhang Retail Limited**Registered number:** 10415677**Balance Sheet****as at 30 September 2021**

	Notes	2021 £	2020 £
Fixed assets			
Tangible assets	3	100,632	128,052
Current assets			
Stocks		60,646	115,158
Debtors	4	43,795	95,287
Cash at bank and in hand		216,045	101,580
		<u>320,486</u>	<u>312,025</u>
Creditors: amounts falling due within one year	5	(270,355)	(249,999)
Net current assets		<u>50,131</u>	<u>62,026</u>
Total assets less current liabilities		<u>150,763</u>	<u>190,078</u>
Creditors: amounts falling due after more than one year	6	(531,087)	(486,087)
Net liabilities		<u>(380,324)</u>	<u>(296,009)</u>
Capital and reserves			
Called up share capital		2	2
Profit and loss account		(380,326)	(296,011)
Shareholder's funds		<u>(380,324)</u>	<u>(296,009)</u>

The director is satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006.

The member has not required the company to obtain an audit in accordance with section 476 of the Act.

The director acknowledges his 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.

Huishan Zhang

Director

Approved by the board on 9 November 2021

Huishan Zhang Retail Limited
Notes to the Accounts
for the year ended 30 September 2021

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 improvements	over 8 year lease term
Fixtures and fittings	over 5 years
Computer equipment	over 3 years

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.

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.

Pensions

Contributions to defined contribution plans are expensed in the period to which they relate.

Grant income

Grant income received under the provision for retail, hospitality and leisure businesses is recognised in the profit and loss as the business is entitled to each grant. This income is recognised on the accruals basis and is disclosed within other income.

2	Employees	2021	2020
		Number	Number

Average number of persons employed by the company	<u>1</u>	<u>1</u>
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3 Tangible fixed assets

	Leasehold improvements	Fixtures and fittings	Computer equipment	Total
	£	£	£	£
Cost				
At 1 October 2020	<u>169,467</u>	<u>42,700</u>	<u>718</u>	<u>212,885</u>

At 30 September 2021	<u>169,467</u>	<u>42,700</u>	<u>718</u>	<u>212,885</u>
Depreciation				
At 1 October 2020	58,645	25,620	568	84,833
Charge for the year	<u>18,730</u>	<u>8,540</u>	<u>150</u>	<u>27,420</u>
At 30 September 2021	<u>77,375</u>	<u>34,160</u>	<u>718</u>	<u>112,253</u>
Net book value				
At 30 September 2021	<u>92,092</u>	<u>8,540</u>	<u>-</u>	<u>100,632</u>
At 30 September 2020	110,822	17,080	150	128,052

4 Debtors	2021	2020
	£	£

Other debtors	<u>43,795</u>	<u>95,287</u>
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5 Creditors: amounts falling due within one year	2021	2020
	£	£

Accruals and deferred income	2,187	34,558
Bank loans and overdrafts	9,199	-
Trade creditors	77,150	42,430
Amounts owed to group undertakings and undertakings in which the company has a participating interest	134,872	136,606
Taxation and social security costs	12,740	-
Other creditors	<u>34,207</u>	<u>36,405</u>
	<u>270,355</u>	<u>249,999</u>

6 Creditors: amounts falling due after one year	2021	2020
	£	£

Amounts owed to group undertakings and undertakings in which the company has a participating interest	486,087	486,087
Other creditors	<u>45,000</u>	<u>-</u>
	<u>531,087</u>	<u>486,087</u>

7 Taxation

As at 30 September 2021 the company has taxable losses of £300,486 (2020: £270,608) to carry forward against future profits. The director has decided not to recognise the deferred tax asset of £57,092 (2020: £51,416) at the balance sheet date due to the uncertainty of the timing of when these losses will be utilised.

8 Other financial commitments	2021	2020
	£	£

Total future minimum payments under non-cancellable operating leases	525,000	375,000
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9 Going concern

At 30 September 2021 the company had net liabilities of £380,234 (2020: £296,009). Included within creditors due after one year is a total amount of £486,087 (2020: £486,087) owed to the parent company Huishan Zhang Limited. The accounts have been prepared on the going concern basis, on the understanding that the parent company will not call on this money until such a time as the company has sufficient cashflow to meet its financial obligations. The controlling shareholder will also continue to offer financial support to the company for at least twelve months from the date on which the financial statements are approved.

10 Related party transactions

As at 30 September 2021, creditors due after more than one year include £486,087 (2020: £486,087) owed to the parent company Huishan Zhang Limited. Creditors due within one year include £134,872 (2020: £136,606) owed to the same parent company. The total amount of £620,959 (2020: £622,693) is unsecured and repayable subject to receiving a notice period of one year and one day from Huishan Zhang Limited.

During the year ended 30 September 2021 the company was charged administration fees of £21,820 (2020: £31,850) by and purchased stock of £4,338 from Huishan Zhang Limited and in turn recharged expenses of £52,889 (2020: £31,859) to the parent company.

11 Controlling party

The ultimate controlling party is the director, Huishan Zhang.

12 Other information

Huishan Zhang Retail Limited is a private company limited by shares and incorporated in England. Its registered office is:
5b Mount Street
London
W1K 3NE

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