

Company registration number 10873484 (England and Wales)

FONTANA INTERNATIONAL LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021
PAGES FOR FILING WITH REGISTRAR

FONTANA INTERNATIONAL LIMITED

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FONTANA INTERNATIONAL LIMITED

BALANCE SHEET

AS AT 31 JULY 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	3		44,573		70,939
Current assets					
Stocks		18,000		7,570	
Debtors	4	63,888		80,025	
Cash at bank and in hand		60,751		53,237	
		<u>142,639</u>		<u>140,832</u>	
Creditors: amounts falling due within one year	5	<u>(296,129)</u>		<u>(312,778)</u>	
Net current liabilities			<u>(153,490)</u>		<u>(171,946)</u>
Total assets less current liabilities			<u>(108,917)</u>		<u>(101,007)</u>
Creditors: amounts falling due after more than one year	6		(38,333)		(47,500)
Provisions for liabilities			<u>(6,810)</u>		<u>(11,713)</u>
Net liabilities			<u><u>(154,060)</u></u>		<u><u>(160,220)</u></u>
Capital and reserves					
Called up share capital			1		1
Profit and loss reserves			<u>(154,061)</u>		<u>(160,221)</u>
Total equity			<u><u>(154,060)</u></u>		<u><u>(160,220)</u></u>

The director of the company has elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 July 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The member has not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

FONTANA INTERNATIONAL LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 JULY 2021

The financial statements were approved and signed by the director and authorised for issue on 25 July 2022

Mr J Lai

Director

Company Registration No. 10873484

FONTANA INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies

Company information

Fontana International Limited is a private company limited by shares incorporated in England and Wales. The registered office is 430-432 Watford Way, Mill Hill, London, NW7 2QJ.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention.

1.2 Going concern

At the time of approving the financial statements, the director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, despite the net liabilities on the balance sheet. Thus the director continues to adopt the going concern basis of accounting in preparing the financial statements. Furthermore, the Director will not call in the debt owed on the loan to the company for the foreseeable future.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	25% straight line
IT Equipment	25% straight line
Motor vehicles	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

FONTANA INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies

(Continued)

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.7 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. The company has no bank loans or other more complex financial instruments that require measurement at amortised cost using the effective interest method.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

FONTANA INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies

(Continued)

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2021 Number	2020 Number
Total	2	2

FONTANA INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

3 Tangible fixed assets

	Fixtures and fittings	IT Equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 August 2020 and 31 July 2021	104,249	1,049	400	105,698
Depreciation and impairment				
At 1 August 2020	34,096	432	231	34,759
Depreciation charged in the year	26,062	262	42	26,366
At 31 July 2021	60,158	694	273	61,125
Carrying amount				
At 31 July 2021	44,091	355	127	44,573
At 31 July 2020	70,153	617	169	70,939

4 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	11,492	18,544
Corporation tax recoverable	-	3,095
Other debtors	15,247	14,803
	26,739	36,442
Deferred tax asset	6,435	43,583
	33,174	80,025
Amounts falling due after more than one year:		
Deferred tax asset	30,714	-
Total debtors	63,888	80,025

5 Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	14,798	10,433
Other creditors	281,331	302,345
	296,129	312,778

FONTANA INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

6 Creditors: amounts falling due after more than one year

	2021 £	2020 £
Other creditors	38,333	47,500
	<u>38,333</u>	<u>47,500</u>

7 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2021 £	2020 £
	158,333	208,334
	<u>158,333</u>	<u>208,334</u>

8 Related party transactions

During the year, the company continued to receive an interest-free loan from the director. Further loans to the company totalled £nil (2020: £68,340) and repayments in the year totalled £29,000 (2020: £6,543). At the year end, the amount owed to the director was £263,730 (2020: £292,730).

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.