

**FABIANA FILIPPI RETAIL (U.K) LIMITED
UNAUDITED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

FABIANA FILIPPI RETAIL (U.K) LIMITED
UNAUDITED ACCOUNTS
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FABIANA FILIPPI RETAIL (U.K) LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2020

Directors	Valentina Cocco Mario Filippi Coccetta Simone Sorbi
Company Number	09119941 (England and Wales)
Registered Office	42 Conduit Street, London London W1S 2YH United Kingdom
Accountants	AccountsCo 1 Purley Place London N1 1QA

FABIANA FILIPPI RETAIL (U.K) LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020

	Notes	2020 £	2019 £
Fixed assets			
Tangible assets	4	562,046	674,798
Current assets			
Inventories	5	295,116	398,626
Debtors	6	692,301	588,041
Cash at bank and in hand		54,649	125,723
		<u>1,042,066</u>	<u>1,112,390</u>
Creditors: amounts falling due within one year	7	(547,288)	(346,324)
Net current assets		<u>494,778</u>	<u>766,066</u>
Total assets less current liabilities		1,056,824	1,440,864
Creditors: amounts falling due after more than one year	8	(805,800)	(756,700)
Provisions for liabilities			
Other provisions	9	(137,737)	(137,737)
Net assets		<u>113,287</u>	<u>546,427</u>
Capital and reserves			
Called up share capital		1,000,000	1,000,000
Capital contribution reserve		1,600,000	1,600,000
Profit and loss account		(2,486,713)	(2,053,573)
Shareholders' funds		<u>113,287</u>	<u>546,427</u>

For the year ending 31 December 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

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

These accounts have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - Small Entities. The profit and loss account has not been delivered to the Registrar of Companies.

The financial statements were approved by the Board of Directors and authorised for issue on 11 June 2021 and were signed on its behalf by

Valentina Cocco
Director

Company Registration No. 09119941

FABIANA FILIPPI RETAIL (U.K) LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1 Statutory information

Fabiana Filippi Retail (U.K) Limited is a private company, limited by shares, registered in England and Wales, registration number 09119941. The registered office is 42 Conduit Street, London, London, W1S 2YH, United Kingdom.

2 Compliance with accounting standards

The accounts have been prepared in accordance with the provisions of FRS 102 Section 1A Small Entities. There were no material departures from that standard.

3 Accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year, and also have been consistently applied within the same accounts.

Basis of preparation

The accounts have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets.

Significant events and going concern

- Renewal of 42 Conduit Street lease: The company's lease over the Mayfair shop was renewed on 26 August 2020. The new lease expires on 25 August 2030. At the end of the lease the company has the right to renew the lease.
- Temporary closure as a result of COVID 19: As a result of Covid 19 and on the UK Government's instructions the company closed its London store on 21 March 2020 and re-opened it on 15 June 2020. The store closed again on 15 November 2020 due to the second lockdown on the UK Government's instructions and re-opened on 12 April 2021. Clearly, this has put a great deal of pressure on the company's finances and significant financial support from the company's parent company, Fabiana Filippi SPA, to cover rent and other costs will inevitably be needed.
- Contribution for Covid-19: It has been agreed that Fabiana Filippi SPA will contribute £176,678 to the company to cover COVID 19 and other related costs incurred by the company in the year ending 31 December 2020. The contribution has been registered in the company's accounts as other income (accrued) in the year.
- Continued financial support from Fabiana Filippi SPA: The directors anticipate that the company will renegotiate favorably the outstanding loans made to it by Fabiana Filippi SPA and will continue to receive financial support from Fabiana Filippi SPA. For this reason, the directors have determined that it is appropriate to prepare these financial statements on the basis that the company will continue as a going concern for the foreseeable future.
- Provision for doubtful debts: The Accounts include an amount of £213,685 (2019: £165,285) that relates to rental invoices for office space above the London shop at 42 Conduit Street due to the company. Some of these invoices date back to 2018. Against this, Fabiana Filippi Retail (UK) Ltd holds a deposit of £30,800. The directors have determined that it is appropriate to include a provision of £137,737 (2019: £100,937) against the receivable amount, which has been included in the accounts.

Turnover and other operating income

Turnover represents amounts receivable for: 1) goods net of VAT and discounts; 2) rental of the upper floors of the premises located at 42 Conduit Street, net of VAT; and 3) merchant commissions. Other income represents recharges to other group companies according to the contract in place.

Revenue from the sale of goods is recognised when the goods are sold from the shop. Revenue from the rent of the upper floors is apportioned according to the period of occupancy. Merchant commissions are accrued for once they are recognised and accepted by the merchant. Other operating income is apportioned according to the period that the services have been performed.

Tangible fixed assets and depreciation

Tangible assets are included at cost less depreciation and impairment. Depreciation has been provided at the following rates in order to write off the assets over their estimated useful lives:

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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).

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises of the purchase cost of the stocks. Stocks are purchased from the company's main shareholder Fabiana Filippi SPA

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price is recognised as an impairment loss in profit or loss.

Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks.

Financial instruments

The company has elected to apply the provisions of Section 11 Basic Financial Instruments and Section 12 Other Financial Instruments Issues? of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes a party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial liabilities, including creditors and loans from fellow group companies, are initially recognised at transaction price. Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised at transaction price .

Deferred taxation

As a result of the magnitude of the losses made in the years to 31 December 2020 the directors believe that it is not prudent to account for deferred tax assets within these financial statements.

Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

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.

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Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

4 Tangible fixed assets

	Land & buildings £	Fixtures & fittings £	Total £
Cost or valuation	At cost	At cost	
At 1 January 2020	2,080,000	705,054	2,785,054
Additions	24,675	-	24,675
At 31 December 2020	2,104,675	705,054	2,809,729
Depreciation			
At 1 January 2020	1,754,286	355,970	2,110,256
Charge for the year	67,610	69,817	137,427
At 31 December 2020	1,821,896	425,787	2,247,683
Net book value			
At 31 December 2020	282,779	279,267	562,046
At 31 December 2019	325,714	349,084	674,798

5 Inventories

	2020 £	2019 £
Finished goods	295,116	398,626
	295,116	398,626

6 Debtors: amounts falling due within one year

	2020 £	2019 £
Trade debtors	269,888	204,400
Amounts due from group undertakings etc.	176,678	69,070
Accrued income and prepayments	83,735	149,196
Other debtors	162,000	165,375
	692,301	588,041

FABIANA FILIPPI RETAIL (U.K) LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2020

7 Creditors: amounts falling due within one year	2020	2019
	£	£
Trade creditors	146,985	48,046
Amounts owed to group undertakings and other participating interests	338,349	232,126
Taxes and social security	40,474	40,065
Other creditors	200	152
Accruals	21,280	25,935
	<u>547,288</u>	<u>346,324</u>

Creditors: amounts falling due after more than one year £805,800 (2019: £756,700) includes 2 loans from the company's main shareholder, Fabiana Filippi SPA of:

1) £750,000 (2019: £700,000). The terms of the loan are that the lender will advance up to £2,800,000 to the company at an interest rate of 1 % above Euribor 3 and that interest is payable on 10 January each year. The current terms of the loan is that it is to be repaid by the company to Fabiana Filippi SPA in full by 31 December 2021. The directors are in discussion with Fabiana Filippi SPA to extend the deadline for repayment of this loan. The directors anticipate that these discussions will be successful.

2) £50,000 (2019: £nil). The terms of the loan are that the lender will advance up to £350,000 to the company at an interest rate of 1% above Euribor 3 and that interest is payable on 10 January each year. The terms of the loan state that it is to be repaid by the company to Fabiana Filippi SPA in full by 31 December 2024.

8 Creditors: amounts falling due after more than one year	2020	2019
	£	£
Other creditors	805,800	756,700

9 Provisions for liabilities	£
At 1 January 2020	137,737
At 31 December 2020	<u>137,737</u>

The Accounts include an amount of £213,685 (2019: £165,285) due from a tenant that rented office space above the company's shop in Mayfair. A provision of £137,737 has been made against this amount.

10 Capital commitments	2020	2019
	£	£
Amounts contracted but not provided for in the accounts	<u>2,523,000</u>	<u>-</u>

Operating Lease Commitments

Leasee

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

11 Transactions with related parties

The Ultimate parent undertaking and controlling party is Fabiana Filippi SPA, a company incorporated in Italy, which is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of Fabiana Filippi SPA consolidated financial statements are publicly available.

12 Average number of employees

During the year the average number of employees was 4 (2019: 5).

