

**Company Registration No. 10741539 (England and Wales)**

**FASHION APPAREL LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2019**

**PAGES FOR FILING WITH REGISTRAR**

# FASHION APPAREL LIMITED

## COMPANY INFORMATION

---

<b>Directors</b>	M Destombes D Jacobs L Granger Rodriguez G H Melamet	(Appointed 1 March 2019)
------------------	---	--------------------------

<b>Company number</b>	10741539
-----------------------	----------

<b>Registered office</b>	73 Cornhill London EC3V 3QQ
--------------------------	-----------------------------------

<b>Auditor</b>	Gerald Edelman 73 Cornhill London EC3V 3QQ
----------------	---

---

# FASHION APPAREL LIMITED

## CONTENTS

---

	Page
Balance sheet	1
Statement of changes in equity	2
Notes to the financial statements	3 - 8

---

# FASHION APPAREL LIMITED

## BALANCE SHEET

AS AT 30 JUNE 2019

		2019		2018	
	Notes	US\$	US\$	US\$	US\$
<b>Fixed assets</b>					
Investments	2		5,314,930		-
<b>Current assets</b>					
Debtors	3	2,378,509		2,296,248	
Cash at bank and in hand		1,567,955		932,839	
		<u>3,946,464</u>		<u>3,229,087</u>	
<b>Creditors: amounts falling due within one year</b>	4	<u>(3,460,647)</u>		<u>(3,050,934)</u>	
<b>Net current assets</b>			485,817		178,153
<b>Total assets less current liabilities</b>			<u>5,800,747</u>		<u>178,153</u>
<b>Capital and reserves</b>					
Called up share capital	5	5,315,058		128	
Profit and loss reserves		485,689		178,025	
<b>Total equity</b>		<u>5,800,747</u>		<u>178,153</u>	

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

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

The financial statements were approved by the board of directors and authorised for issue on 26 March 2020 and are signed on its behalf by:

M Destombes

**Director**

**Company Registration No. 10741539**

# FASHION APPAREL LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2019

		Share capital	Profit and loss reserves	Total
	Notes	US\$	US\$	US\$
<b>Balance at 26 April 2017</b>		-	-	-
<b>Period ended 30 June 2018:</b>				
Profit and total comprehensive income for the period		-	178,025	178,025
Issue of share capital	5	128	-	128
<b>Balance at 30 June 2018</b>		128	178,025	178,153
<b>Period ended 30 June 2019:</b>				
Profit and total comprehensive income for the period		-	307,664	307,664
Issue of share capital	5	5,314,930	-	5,314,930
<b>Balance at 30 June 2019</b>		5,315,058	485,689	5,800,747

# **FASHION APPAREL LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2019**

---

### **1 Accounting policies**

#### **Company information**

Fashion Apparel Limited is a private company limited by shares incorporated in England and Wales. The registered office is 73 Cornhill, London, EC3V 3QQ.

#### **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 US Dollars, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest US\$.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### **1.2 Reporting period**

These accounts are for the year ended 30 June 2019. The comparative figures are for the period from 25 April 2017 to 30 June 2018.

#### **1.3 Turnover**

Turnover is recognised at the fair value of the consideration received for services provided in the normal course of business, and is shown net of other sales related taxes. It is recognised at the point trade finance is provided.

#### **1.4 Fixed asset investments**

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

#### **1.5 Cash and cash equivalents**

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.

# FASHION APPAREL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

---

### 1 Accounting policies

(Continued)

#### 1.6 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 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 assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

##### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

# FASHION APPAREL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

---

### 1 Accounting policies

(Continued)

#### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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 initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

### 1.7 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.

### 1.8 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.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.



# FASHION APPAREL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

### 1 Accounting policies (Continued)

#### 1.9 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.

### 2 Fixed asset investments

	2019 US\$	2018 US\$
Investments	5,314,930	-

#### Movements in fixed asset investments

	Shares in group undertakings US\$
<b>Cost or valuation</b>	
At 1 July 2018	-
Additions	5,314,930
At 30 June 2019	5,314,930
<b>Carrying amount</b>	
At 30 June 2019	5,314,930
At 30 June 2018	-

### 3 Debtors

	2019 US\$	2018 US\$
<b>Amounts falling due within one year:</b>		
Trade debtors	-	2,296,120
Amounts owed by group undertakings	2,378,381	-
Other debtors	128	128
	2,378,509	2,296,248

# FASHION APPAREL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

### 4 Creditors: amounts falling due within one year

	2019 US\$	2018 US\$
Amounts owed to group undertakings	3,425,000	-
Corporation tax	22,322	41,759
Other creditors	13,325	3,009,175
	<u>3,460,647</u>	<u>3,050,934</u>

### 5 Called up share capital

	2019 US\$	2018 US\$
<b>Ordinary share capital</b>		
<b>Issued and not fully paid</b>		
4,000,000 Ordinary shares of £1 each	5,315,058	128
	<u>5,315,058</u>	<u>128</u>

### Reconciliation of movements during the year:

	Ordinary shares Number
At 1 July 2018	100
Issue of fully paid shares	3,999,900
	<u>4,000,000</u>
At 30 June 2019	<u>4,000,000</u>

During the year the company allotted and issued 3,999,900 ordinary shares of £1 each with an aggregate nominal value of £3,999,900 in a share for share exchange as consideration for the \$5,314,930 investment in subsidiary.

### 6 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Stephen Coleman ACA.  
The auditor was Gerald Edelman.

## FASHION APPAREL LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

---

#### 7 Related party transactions

##### Transactions with related parties

The following amounts were outstanding at the reporting end date:

	2019	2018
Amounts due to related parties	US\$	US\$
Entities with control, joint control or significant influence over the company	3,425,000	3,000,000

There are no specific terms as to repayment and interest attached to this amount at year end.

The company has taken advantage of the exemption under terms of FRS102 not to disclose related party transactions with wholly owned subsidiaries within the group.

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.