

**Company Registration No. 09664102 (England and Wales)**

**FIORUCCI WHOLESALE LIMITED (FORMERLY KNOWN AS BRANDS ITALIA LIMITED)**

**UNAUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2018**

**PAGES FOR FILING WITH REGISTRAR**

# **FIORUCCI WHOLESALE LIMITED (FORMERLY KNOWN AS BRANDS ITALIA LIMITED)**

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**FIORUCCI WHOLESALE LIMITED (FORMERLY KNOWN AS BRANDS ITALIA LIMITED)****BALANCE SHEET****AS AT 31 DECEMBER 2018**

	Notes	2018 £	£	2017 £	£
<b>Current assets</b>					
Debtors	2	185,239		10	
Cash at bank and in hand		115,040		-	
		<u>300,279</u>		<u>10</u>	
<b>Creditors: amounts falling due within one year</b>	3	(1,656,716)		-	
<b>Net current (liabilities)/assets</b>			(1,356,437)		10
			<u><u></u></u>		<u><u></u></u>
<b>Capital and reserves</b>					
Called up share capital	4		10		10
Profit and loss reserves			(1,356,447)		-
			<u>(1,356,437)</u>		<u></u>
<b>Total equity</b>			<u><u>(1,356,437)</u></u>		<u><u>10</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 December 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges her 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.

The financial statements were approved by the board of directors and authorised for issue on 25 November 2019 and are signed on its behalf by:

Mrs J M Schaffer  
**Director**

**Company Registration No. 09664102**

**FIORUCCI WHOLESALE LIMITED (FORMERLY KNOWN AS BRANDS ITALIA LIMITED)**

**STATEMENT OF CHANGES IN EQUITY**

**FOR THE YEAR ENDED 31 DECEMBER 2018**

	<b>Share capital</b>	<b>Profit and loss reserves</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Balance at 1 July 2017</b>	10	-	10
<b>Period ended 31 December 2017:</b>			
Profit and total comprehensive income for the period	-	-	-
	<hr/>	<hr/>	<hr/>
<b>Balance at 31 December 2017</b>	10	-	10
<b>Period ended 31 December 2018:</b>			
Loss and total comprehensive income for the period	-	(1,356,447)	(1,356,447)
	<hr/>	<hr/>	<hr/>
<b>Balance at 31 December 2018</b>	10	(1,356,447)	(1,356,437)
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

# **FIORUCCI WHOLESALE LIMITED (FORMERLY KNOWN AS BRANDS ITALIA LIMITED)**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2018**

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### **1 Accounting policies**

#### **Company information**

Fiorucci Wholesale Limited (formerly known as Brands Italia Limited) is a private company limited by shares incorporated in England and Wales. The registered office is 39-43 Brewer Street, London, W1F 9UD.

#### **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. The principal accounting policies adopted are set out below.

#### **1.2 Going concern**

These financial statements are prepared on the going concern basis. The director has a reasonable expectation that the company will continue in operational existence for the foreseeable future. However, the director is aware of certain material uncertainties which may cause doubt on the company's ability to continue as a going concern. These include the company having a net loss for the period of £1,356,447 and a net deficit of £1,356,437 at the reporting date.

#### **1.3 Reporting period**

The annual financial statements are presented for a period of one year however, the comparative period was presented for a period shorter than one year, as the company's reporting period was realigned to that of its parent company. The comparative amounts presented in the financial statements (including the related notes) are not entirely comparable.

#### **1.4 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.

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

Cash and cash equivalents are basic financial assets and include deposits held at call with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

# FIORUCCI WHOLESALE LIMITED (FORMERLY KNOWN AS BRANDS ITALIA LIMITED)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

### 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.

# FIORUCCI WHOLESALE LIMITED (FORMERLY KNOWN AS BRANDS ITALIA LIMITED)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

### 1 Accounting policies

(Continued)

#### **Basic financial liabilities**

Basic financial liabilities, including creditors and loans from fellow group companies, 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.

### 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.

### 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.

**FIORUCCI WHOLESALE LIMITED (FORMERLY KNOWN AS BRANDS ITALIA LIMITED)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2018**

**2 Debtors**

	2018	2017
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	48,125	-
Other debtors	137,114	10
	<u>185,239</u>	<u>10</u>

**3 Creditors: amounts falling due within one year**

	2018	2017
	£	£
Bank loans and overdrafts	59,731	-
Trade creditors	12,961	-
Amounts owed to group undertakings	1,571,765	-
Other creditors	12,259	-
	<u>1,656,716</u>	<u>-</u>

A charge was registered on 2 March 2018 in which Barclays Bank Plc were the persons entitled.

**4 Called up share capital**

	2018	2017
	£	£
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
1,000 ordinary shares of 1p each	<u>10</u>	<u>10</u>



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