Cowin Global UK Limited

Independent auditors' report

to the member of Cowin Global UK Limited

We have audited the accounts of Cowin Global UK Limited for the year ended 31 December 2018 which comprise the Profit and Loss Account and the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. . The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Director's Responsibilities, the director is responsible for the preparation of the accounts and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the accounts

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/auditscopeukprivate

Opinion on the accounts

In our opinion the accounts:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the accounts are prepared is consistent with the accounts.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the accounts in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

Martin Longmore
(Senior Statutory Auditor)
for and on behalf of
MHA Monahans
Accountants and Statutory Auditors
15 May 2019

Lennox House
3 Pierrepont Street
Bath

BA1 1LB

Cowin Global UK Limited

Registered number: 09375021

Balance Sheet

as at 31 December 2018

	Notes		2018		2017
			£		£
Fixed assets					
Tangible assets	5		2,315		2,697
Current assets					
Stocks	6	78,744		82,161	
Debtors	7	422,579		438,921	
Cash at bank and in hand		89,600		271,245	
		590,923		792,327	
Creditors: amounts falling due within one year	8	(1,251,934)		(1,265,988)	
Net current liabilities			(661,011)		(473,661)
Net liabilities			(658,696)		(470,964)
Capital and reserves					
Called up share capital			100		100
Profit and loss account			(658,796)		(471,064)
Shareholder's funds			(658,696)		(470,964)

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

N Di Claudio

Director

Approved by the board on 10 May 2019

Cowin Global UK Limited

Notes to the Accounts

for the year ended 31 December 2018

1 General Information

The company is a private company limited by shares and is incorporated and domiciled in England and Wales. The address of its registered office is Unit 4, Old Mills Trading Estate, Paulton, Bristol, BS39 7SU

The presentation currency of the financial statements is Pound Sterling (£)

2 Accounting policies

Basis of preparation

The accounts have been prepared under the historical cost convention and in accordance with FRS 102 Section 1A, The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Going concern

The financial statements have been prepared using the going concern basis of accounting. Although the company made a loss of £187,732 for the year and at the year end date the company had net current liabilities of £661,011 and net liabilities of £658,696, the company has received assurances from its ultimate parent company, Cowin Global Holding limited, that they will continue to support the company for a period of at least 12 months from the date of approval of these financial statements. On this basis, current and future sources of funding or support will be adequate for the company's needs and for the company to be able to continue as a going concern.

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:

Furniture & Office Equipment	5 years
Motor Vehicles	5 years
Plant and machinery	5 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.

Work in Progress

Work in Progress is valued at cost which includes an appropriate proportion of directly attributable costs on incomplete finished goods. Provision is made for irrecoverable costs where appropriate.

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.

3 Audit information

These accounts have been audited by MHA Monahans. Their audit report is unqualified and is signed on their behalf by Martin Longmore, Senior Statutory Auditor

4 Employees

	2018 Number	2017 Number
Average number of persons employed by the company	4	3

5 Tangible fixed assets

	Furniture and office equipment £	Plant and machinery £	Motor vehicles £	Total £
Cost				
At 1 January 2018	2,421	3,630	6,911	12,962
Additions	1,635	823	-	2,458
At 31 December 2018	4,056	4,453	6,911	15,420
Depreciation				
At 1 January 2018	1,965	1,801	6,499	10,265
Charge for the year	553	2,150	137	2,840
At 31 December 2018	2,518	3,951	6,636	13,105
Net book value				
At 31 December 2018	1,538	502	275	2,315
At 31 December 2017	456	1,829	412	2,697

6 Stocks

	2018 £	2017 £
Work in Progress (Goods to be sold)	33,672	49,580
Finished Goods and goods for resale	45,072	32,581
	78,744	82,161

7 Debtors

	2018 £	2017 £
Trade debtors	408,113	438,921
Other debtors	14,466	-
	422,579	438,921

Trade debtors include £Nil (2017: £Nil) due from group companies

8 Creditors: amounts falling due within one year

	2018	2017
	£	£
Trade creditors	13,573	17,419
Amounts owed to group undertakings	1,075,163	1,058,757
Other taxes and social security costs	152,563	175,396
Other creditors	10,635	14,416
	1,251,934	1,265,988

9 Other financial commitments

	2018	2017
	£	£
Total future minimum payments under non-cancellable operating leases	**24,700**	**2,000**

10 Related party transactions

	2018	2017
	£	£
i) Transactions with group companies		
Cowin Global Holding Limited		
Purchases of materials from group	**791,731**	**1,596,540**
Sales of services to group	**-**	**-**
Loan to Cowin UK from Cowin Global Holding Limited, all transactions loaned in the year, were all repaid by year end	**170,000**	**355,000**
ii) Balances with group companies		
Cowin Global Holding Limited		
Amounts owed to ultimate parent company	**1,075,948**	**1,058,757**
Cowin Global Trading Limited		
Amounts due from parent company	**785**	**785**

11 Controlling party

The direct parent company is Cowin Global Trading Limited (which is a 100% subsidiary of Cowin Global Holding Limited) and the ultimate parent company is Cowin Global Holding Limited, which was incorporated in Hong Kong. The address of Cowin Global Holding Limited is 2602 Universal Trade Centre, 3-5A Arbuthnot Road, Central, Hong Kong.

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.