

**FONN LTD
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

Fonn Ltd
Unaudited Financial Statements
For The Year Ended 31 December 2022

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Fonn Ltd
Balance Sheet
As at 31 December 2022

Registered number: 12312957

	Notes	2022		2021	
		£	£	£	£
CURRENT ASSETS					
Debtors	4	14,190		14,460	
Cash at bank and in hand		37,831		72,339	
		52,021		86,799	
Creditors: Amounts Falling Due Within One Year	5	(126,630)		(16,696)	
NET CURRENT ASSETS (LIABILITIES)			(74,609)		70,103
TOTAL ASSETS LESS CURRENT LIABILITIES			(74,609)		70,103
Creditors: Amounts Falling Due After More Than One Year	6		(1,060,822)		(594,654)
NET LIABILITIES			(1,135,431)		(524,551)
CAPITAL AND RESERVES					
Called up share capital	7		500		500
Profit and Loss Account			(1,135,931)		(525,051)
SHAREHOLDERS' FUNDS			(1,135,431)		(524,551)

Fonn Ltd
Balance Sheet (continued)
As at 31 December 2022

For the year ending 31 December 2022 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.

The company has taken advantage of section 444(1) of the Companies Act 2006 and opted not to deliver to the registrar a copy of the company's Profit and Loss Account.

On behalf of the board

Mr Jan Grindheim

Director

04/07/2023

The notes on pages 3 to 5 form part of these financial statements.

Fonn Ltd
Notes to the Financial Statements
For The Year Ended 31 December 2022

1. General Information

Fonn Ltd is a private company, limited by shares, incorporated in England & Wales, registered number 12312957 . The registered office is 2 Frederick Street, Kings Cross, London, WC1X 0ND.

2. Accounting Policies

2.1. Basis of Preparation of Financial Statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 section 1A Small Entities "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006

2.2. Going Concern Disclosure

Though the Company is operating at a loss, the Directors have a reasonable expectation that the Company will continue to have access to adequate resources to continue in operational existence for the foreseeable future. Thus, the Directors continue to adopt the going concern basis in preparing the annual financial statements.

2.3. Significant judgements and estimations

The preparation of the financial statements requires management to make judgements, estimates, and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. In the Director's opinion there are no significant judgements or key sources of estimation uncertainty.

2.4. 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 rendering of services. Turnover is reduced for estimated customer returns, rebates and other similar allowances.

Rendering of Services

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. Turnover is only recognised to the extent of recoverable expenses when the outcome of a contract cannot be estimated reliably.

2.5. Financial Instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in profit or loss.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an 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.

2.6. Foreign Currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

2.7. Pensions

The company operates a defined pension contribution scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme

2.8. Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Fonn Ltd
Notes to the Financial Statements (continued)
For The Year Ended 31 December 2022

2.9. Debtors

Basic financial assets, including trade and other debtors, are initially recognised at transaction price, 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. Such assets are subsequently carried at amortised cost using the effective interest method, less any impairment.

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business

2.10. Creditors

Basic financial liabilities, including trade and other creditors, loans from third parties and loans from related parties, 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. Such instruments are subsequently carried at amortised cost using the effective interest method, less any impairment.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as current liabilities if the Company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

2.11. Share Capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

3. Average Number of Employees

Average number of employees, including directors, during the year was as follows: 6 (2021: 4)

4. Debtors

	2022	2021
	£	£
Due within one year		
Trade debtors	18,575	14,460
Prepayments and accrued income	2,200	-
Provision for Losses on account of receivables	(12,953)	-
VAT	6,368	-
	<u>14,190</u>	<u>14,460</u>

5. Creditors: Amounts Falling Due Within One Year

	2022	2021
	£	£
Trade creditors	17,437	5,315
Other taxes and social security	24,116	8,907
VAT	-	1,174
Prepaid Income	50,330	-
Accruals and deferred income	34,747	1,300
	<u>126,630</u>	<u>16,696</u>

Fonn Ltd
Notes to the Financial Statements (continued)
For The Year Ended 31 December 2022

6. Creditors: Amounts Falling Due After More Than One Year

	2022	2021
	£	£
Amounts owed to group undertakings	1,060,822	594,654
	1,060,822	594,654

7. Share Capital

	2022	2021
Allotted, Called up and fully paid	500	500
	500	500

8. Dividends

No dividends were proposed or paid during the current or previous year.

9. Related Party Transactions

The company is a wholly owned subsidiary member of its group and has therefore taken advantage of the provisions of Section 33. 1A of FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" not to disclose transactions with entities that are wholly owned members of the group.

10. Ultimate Parent Undertaking and Controlling Party

The company's immediate and ultimate parent undertaking is Fonn International AS . Fonn International AS was incorporated in Norway. Copies of the group accounts may be obtained from the secretary, Brugata 6. 5200 Os . The ultimate controlling party is Fonn International AS who controls 100% of the shares of Fonn Ltd .

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.