

Registered number: 05263229

A.T. SHOP LIMITED

FINANCIAL STATEMENTS
INFORMATION FOR FILING WITH THE REGISTRAR
FOR THE YEAR ENDED 31 DECEMBER 2017



A.T. SHOP LIMITED

COMPANY INFORMATION

Directors	M Tagesson N Mendola
Registered number	05263229
Registered office	Donald Reid Group 20 King Street Maidenhead Berkshire SL6 1DT
Independent auditors	Donald Reid Limited Chartered Accountants & Statutory Auditors Prince Albert House 20 King Street Maidenhead Berkshire SL6 1DT

A.T. SHOP LIMITED

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A.T. SHOP LIMITED
REGISTERED NUMBER: 05263229

BALANCE SHEET
AS AT 31 DECEMBER 2017

	Note	2017 £	As restated 2016 £
Fixed assets			
Intangible assets	4	178,686	235,121
Tangible assets	5	3,316	7,672
		<u>182,002</u>	<u>242,793</u>
Current assets			
Stocks	6	-	288,411
Debtors: amounts falling due within one year	7	1,202,431	260,879
Cash at bank and in hand	8	530,626	399,834
		<u>1,733,057</u>	<u>949,124</u>
Creditors: amounts falling due within one year	9	(11,801,388)	(9,903,788)
Net current liabilities		<u>(10,068,331)</u>	<u>(8,954,664)</u>
Total assets less current liabilities		<u>(9,886,329)</u>	<u>(8,711,871)</u>
Net liabilities		<u>(9,886,329)</u>	<u>(8,711,871)</u>
Capital and reserves			
Called up share capital	10	5,595	5,595
Share premium account		19,060,456	19,060,456
Profit and loss account		(28,952,380)	(27,777,922)
		<u>(9,886,329)</u>	<u>(8,711,871)</u>

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

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 27 April 2018.


N Mendola
 Director

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A.T. SHOP LIMITED
REGISTERED NUMBER: 05263229

BALANCE SHEET (CONTINUED)
A\$ AT 31 DECEMBER 2017

The notes on pages 3 to 11 form part of these financial statements.

A.T. SHOP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

1. General information

A.T. Shop Limited is a private company limited by shares and incorporated in England and Wales. Its registered office is 20 King Street, Maidenhead, Berkshire, SL6 1DT. Its principal place of business is 10 Brick Street, Mayfair, London W1J 7HQ.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

The company has net liabilities of £9,886,329 (2016: £8,711,871). Based on the financial projections, the directors believe they have a reasonable expectation that the company will have sufficient working capital for the foreseeable future and consequently believe that it is appropriate to prepare the financial statements on a going concern basis. The ultimate parent company has confirmed that it will provide the company with support as required in order to enable it to remain a going concern for at least a year from the date of the signing of the balance sheet.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

A.T. SHOP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.4 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

Amortisation is provided on the following bases:

Website development	-	33% - 50% straight line
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2.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Short-term leasehold improvements	- Over the term of the lease
Office fixtures & fittings	- 10% - 33% straight line
Computer equipment	- 33% straight line or over the term of the license

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of income and retained earnings.

2.6 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of income and retained earnings on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

A.T. SHOP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.7 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

During the year, the company changed its method of operation in relation to stock recognition. Ownership of stock is transferred from the supplier to the ultimate parent company. The company purchases all goods from the ultimate parent company upon customer order. The ownership of stock is transferred from the ultimate parent to the end customer at the point of delivery.

2.8 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.10 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.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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 the Statement of income and retained earnings.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the

A.T. SHOP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

2. Accounting policies (continued)

2.14 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of income and retained earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.15 Interest income

Interest income is recognised in the Statement of income and retained earnings using the effective interest method.

3. Employees

The average monthly number of employees, including directors, during the year was 18 (2016 - 21).

A.T. SHOP LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

4. Intangible assets

	Website development £
Cost	
Prior Year Adjustment	373,276
At 1 January 2017 (as restated)	373,276
Additions	39,839
At 31 December 2017	413,115
Amortisation	
Prior Year Adjustment	138,155
At 1 January 2017 (as restated)	138,155
Charge for the year	96,274
At 31 December 2017	234,429
Net book value	
At 31 December 2017	178,686
At 31 December 2016 (as restated)	235,121

The prior year comparatives have been restated in order to recategorise website development capital expenditure previously recorded as tangible fixed assets as intangible fixed assets. This restatement has resulted in a £235,121 increase in intangible fixed assets, with a corresponding decrease in the carrying value of tangible fixed assets. There has been no impact on overall reserves or on the loss made in the previous year as a result of this restatement as it is a reclassification only.

A.T. SHOP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

5. Tangible fixed assets

	L/Term Leasehold Property £	Fixtures & fittings £	Computer equipment £	Total £
Cost or valuation				
At 1 January 2017	9,191	47,406	48,124	104,721
At 31 December 2017	9,191	47,406	48,124	104,721
Depreciation				
At 1 January 2017	9,191	47,265	40,593	97,049
Charge for the year on owned assets	-	141	4,215	4,356
At 31 December 2017	9,191	47,406	44,808	101,405
Net book value				
At 31 December 2017	-	-	3,316	3,316
At 31 December 2016 (as restated)	-	141	7,531	7,672

The prior year comparatives have been restated in order to recategorise website development capital expenditure previously recorded as tangible fixed assets as intangible fixed assets. This restatement has resulted in a £235,121 increase in intangible fixed assets, with a corresponding decrease in the carrying value of tangible fixed assets. There has been no impact on overall reserves or on the loss made in the previous year as a result of this restatement as it is a reclassification only.

A.T. SHOP LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

6. Stocks

	2017 £	2016 £
Finished goods	-	288,411
	<u>-</u>	<u>288,411</u>

7. Debtors

	2017 £	2016 £
Trade debtors	59,810	81,828
Amounts owed by group undertakings	1,056,709	-
Other debtors	82,389	151,777
Prepayments and accrued income	3,349	27,274
Tax recoverable	174	-
	<u>1,202,431</u>	<u>260,879</u>

8. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	530,626	399,834
	<u>530,626</u>	<u>399,834</u>

9. Creditors: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	377,895	507,738
Amounts owed to group undertakings	10,177,059	8,497,376
Other taxation and social security	947,910	800,285
Other creditors	70,826	74,069
Accruals and deferred income	227,698	24,320
	<u>11,801,388</u>	<u>9,903,788</u>

A.T. SHOP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

10. Share capital

	2017 £	2016 £
Allotted, called up and fully paid		
27,823,834 Ordinary shares of £0.000001 each	28	28
5,000,000 A shares of £0.001 each	5,000	5,000
7,679,312 B shares of £0.000001 each	8	8
2,450,000 C shares of £0.000228 each	559	559
	<hr/>	<hr/>
	5,595	5,595
	<hr/>	<hr/>

11. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £43,957 (2016: £26,497). Contributions totalling £7,000 (2016: £Nil) were payable to the fund at the balance sheet date and are included in creditors.

12. Controlling party

At the balance sheet date, the immediate parent company of A.T. Shop Limited was AlexandAlexa Holding AB by virtue of its majority holding of the ordinary issued share capital. In January 2018 AlexandAlexa Holding AB was merged into its parent company Babyshop Sthlm Holding AB. As a result of this combination, Babyshop Sthlm Holding AB became the immediate parent company of A.T. Shop Limited by virtue of its majority holding of the ordinary issued share capital at the balance sheet date.

Babyshop Sthlm Holding AB is the ultimate parent company and controlling party. The company is incorporated in Sweden.

The parent undertaking of the largest and smallest group to consolidate these financial statements is Babyshop Sthlm Holding AB. The group financial statements can be obtained from Babyshop Sthlm Holding AB, BOX 29098, 100 52 Stockholm.

13. Auditors' information

The auditors' report on the financial statements for the year ended 31 December 2017 was unqualified.

The audit report was signed on 27 April 2018 by Daniel Reid FCA (Senior statutory auditor) on behalf of Donald Reid Limited.