Registered number: 05263229

A.T. SHOP LIMITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 DECEMBER 2018

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 2018

	Note		2018 £		2017 £
Fixed assets					
Intangible assets	4		174,455		178,686
Tangible assets	5		6,902		3,316
			181,357		182,002
Current assets					
Debtors: amounts falling due within one year	6	1,638,981		1,202,431	
Cash at bank and in hand	7	423,321		530,626	
		2,062,302		1,733,057	
Creditors: amounts falling due within one year	8	(13,600,624)		(11,801,388)	
Net current liabilities			(11,538,322)		(10,068,331)
Total assets less current liabilities			(11,356,965)		(9,886,329)
Net liabilities			(11,356,965)		(9,886,329)
Capital and reserves					
Called up share capital	9		5,595		5,595
Share premium account			19,060,456		19,060,456
Profit and loss account			(30,423,016)		(28,952,380)
			(11,356,965)		(9,886,329)

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.

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2018

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 21 May 2019.

N Mendola
Director

The notes on pages 3 to 10 form part of these financial statements.

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 £11,356,965 *(2017: £9,886,329)*. 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.

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	-	20% straight line

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.

2.7 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. Accounting policies (continued)

2.8 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.

2.9 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 contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

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.

2.10 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2. Accounting policies (continued)

2.11 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of income and retained earnings except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of income and retained earnings within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of income and retained earnings within 'other operating income'.

2.12 Finance costs

Finance costs are charged to the Statement of income and retained earnings over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.13 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.

2.14 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 *(2017 - 18)*.

4. Intangible assets

	Website development £
Cost	
At 1 January 2018	413,115
Additions	55,190
At 31 December 2018	468,305
Amortisation	
At 1 January 2018	234,429
Charge for the year	59,421
At 31 December 2018	293,850
Net book value	
At 31 December 2018	174,455
At 31 December 2017	*178,686*

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

5. Tangible fixed assets

	L/Term Leasehold Property £	Fixtures & fittings £	Computer equipment £	Total £
Cost or valuation				
At 1 January 2018	9,191	47,406	48,124	104,721
Additions	-	-	6,484	6,484
At 31 December 2018	9,191	47,406	54,608	111,205
Depreciation				
At 1 January 2018	9,191	47,406	44,808	101,405
Charge for the year on owned assets	-	-	2,898	2,898
At 31 December 2018	9,191	47,406	47,706	104,303
Net book value				
At 31 December 2018	-	-	6,902	6,902
At 31 December 2017	-	-	*3,316*	*3,316*

6. Debtors

	2018 £	*2017 £*
Trade debtors	190,588	*59,810*
Amounts owed by group undertakings	1,262,113	*1,056,709*
Other debtors	138,711	*82,389*
Prepayments and accrued income	47,569	*3,349*
Tax recoverable	-	*174*
	1,638,981	*1,202,431*

7. Cash and cash equivalents

	2018 £	*2017* *£*
Cash at bank and in hand	**423,321**	*530,626*
	423,321	*530,626*

8. Creditors: Amounts falling due within one year

	2018 £	*2017* *£*
Trade creditors	**751,608**	*377,895*
Amounts owed to group undertakings	**11,395,208**	*10,177,059*
Other taxation and social security	**1,312,678**	*947,910*
Other creditors	**36,927**	*70,826*
Accruals and deferred income	**104,203**	*227,698*
	13,600,624	*11,801,388*

9. Share capital

	2018 £	*2017* *£*
Allotted, called up and fully paid		
27,823,834 Ordinary shares of £0.000001 each	**28**	*28*
5,000,000 A shares of £0.001000 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*
	5,595	*5,595*

10. 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 £57,220 *(2017: £43,957)*. Contributions totalling £5,345 *(2017: £7,000)* were payable to the fund at the balance sheet date and are included in creditors.

11. Commitments under operating leases

At 31 December 2018 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2018	*2017*
	£	*£*
Not later than 1 year	**55,696**	-
Later than 1 year and not later than 5 years	-	*222,784*
	55,696	*222,784*

12. Related party transactions

The company has taken advantage of the exemption in FRS 102 from the requirement to disclose transactions with group companies on the grounds that all subsidiary undertakings that have been party to the transactions are wholly owned members of the group.

13. 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.

14. Auditors' information

The auditors' report on the financial statements for the year ended 31 December 2018 was unqualified.

The audit report was signed on 26 June 2019 by Daniel Reid FCA (Senior statutory auditor) on behalf of Donald Reid Limited.