

Company registration number 10008580 (England and Wales)

TAIL OFFERS LTD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

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TAIL OFFERS LTD

COMPANY INFORMATION

| | |
|--------------------------|---|
| Director | G Smith |
| Secretary | Cosec Services Limited |
| Company number | 10008580 |
| Registered office | 15 Belgrave Square London SW1X 8PS |
| Auditor | Gerald Edelman LLP 73 Cornhill London EC3V 3QQ |
| Business address | 25 Wilton Road Victoria London SW1V 1LW |

TAIL OFFERS LTD

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TAIL OFFERS LTD

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 MARCH 2022

The director presents his annual report and financial statements for the year ended 31 March 2022.

The comparative figures are for the period of 15 months ending on 31 March 2021.

Principal activities

The principal activity of the company continued to be that of a cashback and rewards program manager.

Results and dividends

The results for the year are set out on page 6.

No ordinary dividends were paid. The director does not recommend payment of a final dividend.

Director

The director who held office during the year and up to the date of signature of the financial statements was as follows:

G Smith

Auditor

In accordance with the company's articles, a resolution proposing that Gerald Edelman LLP be reappointed as auditor of the company will be put at a General Meeting.

Statement of director's responsibilities

The director is responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

TAIL OFFERS LTD

DIRECTOR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

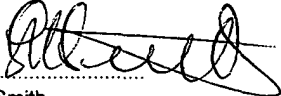
Going Concern

The financial statements have been prepared on the assumption that the company is a going concern. At the balance sheet date, the company had net liabilities of £601,810 (2021: £59,109). The company meets its day to day working capital requirements through operating cash flows and through the financial support provided by its ultimate parent undertaking, Quantum Financial Holdings Limited. The ultimate parent company directors have indicated that they intend to seek further financial support from existing and new shareholders, as they have done in the past, in order to provide the necessary finance. The ultimate parent company directors have indicated that funding has been secured.

Having reviewed the company's financial forecast and assuming continued support from the company's ultimate parent undertaking, Quantum Financial Holdings Limited, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, a period of not less than 12 months from the date of approval of these financial statements.

Accordingly, the directors continue to adopt the going concern basis of accounting in preparing the financial statements for the year ended 31 March 2022.

On behalf of the board



G Smith
Director

Date: 21/12/22

TAIL OFFERS LTD

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF TAIL OFFERS LTD

Opinion

We have audited the financial statements of Tail Offers Ltd (the 'company') for the year ended 31 March 2022 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the director with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The director is responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the director's report has been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF TAIL OFFERS LTD

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the director's report. We have nothing to report in respect of the following matters in relation to which 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 financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the director was not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

Responsibilities of director

As explained more fully in the director's responsibilities statement, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the director determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the director is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Extent to which the audit was considered capable of detecting irregularities including fraud

Our audit procedures were primarily directed towards testing the accounting systems in operation upon which we have based our assessment of the financial statements for the period ended 31 March 2022.

We planned our audit so that we have a reasonable expectation of detecting material misstatements in the financial statements resulting from irregularities, fraud or non-compliance with law or regulations.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- Enquiring of management of whether they are aware of any non-compliance with laws and regulations.
- Enquiring of management whether they have knowledge of any actual, suspected or alleged fraud.
- Enquiring of management their internal controls established to mitigate risk related to fraud or non-compliance with laws and regulations.
- Discussions amongst the engagement team on how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, we identified potential for fraud in the following areas; posting of unusual journals; fraudulent expenses.
- Obtaining understanding of the legal and regulatory framework the company operates in focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations. The key laws and regulations we considered in this context included UK Companies Act 2006, tax legislation, data protection, anti-bribery, employment, health and safety.

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF TAIL OFFERS LTD

Audit response to risks identified

Fraud due to management override

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships.
- Auditing the risk of management override of controls, including through testing journal entries for appropriateness.
- Assessed whether judgements and assumptions made in determining the accounting estimates set out in note 2 were indicative of potential bias.
- Investigated the rationale behind significant or unusual transactions.

Irregularities and non-compliance with laws and regulations

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but are not limited to:

Agreeing financial statements disclosures to underlying supporting documentation.

- Reviewing minutes of meetings of those charged with governance?
- Enquiring of management as to actual and potential litigation claims.
- Reviewing correspondence with HMRC.

The test nature and other inherent limitations of an audit, together with the inherent limitations of any accounting and internal control system, mean that there is an unavoidable risk that even some material misstatements in respect of irregularities may remain undiscovered even though the audit is properly planned and performed in accordance with ISAs (UK). Furthermore, the more removed that laws and regulations are from financial transactions, the less likely that we would become aware of non-compliance.

Our examination should therefore not be relied upon to disclose all such material misstatements or frauds, errors or instances of non-compliance that might exist. The responsibility for safeguarding the assets of the company and for the prevention and detection of fraud, error and non-compliance with law or regulations rests with the directors of the company.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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 auditor's 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.



Hemen Doshi FCCA
Senior Statutory Auditor
For and on behalf of Gerald Edelman LLP

Date: 21/12/2022

Chartered Accountants
Statutory Auditor

73 Cornhill
London
EC3V 3QQ

TAIL OFFERS LTD

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2022

| | | Year ended 31 March 2022 £ | Period ended 31 March 2021 £ |
|---|-------|--|--|
| | Notes | | |
| Turnover | 3 | 5,540 | 10,370 |
| Cost of sales | | (169,339) | (3,681) |
| Gross (loss)/profit | | (163,799) | 6,689 |
| Administrative expenses | | (431,840) | (232,428) |
| Other operating income | | 1,372 | 28,133 |
| Operating loss | 4 | (594,267) | (197,606) |
| Interest payable and similar expenses | 7 | - | (340) |
| Loan waived | 8 | - | 230,300 |
| (Loss)/profit before taxation | | (594,267) | 32,354 |
| Tax on (loss)/profit | 9 | 51,566 | 5,114 |
| (Loss)/profit for the financial year | | (542,701) | 37,468 |

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

TAIL OFFERS LTD

BALANCE SHEET

AS AT 31 MARCH 2022

| | Notes | 2022 £ | £ | 2021 £ | £ |
|---|-------|---------------|------------------|---------------|-----------------|
| Fixed assets | | | | | |
| Intangible assets | 10 | | 20,224 | | - |
| Tangible assets | 11 | | 3,579 | | - |
| | | | <u>23,803</u> | | <u>-</u> |
| Current assets | | | | | |
| Debtors | 12 | 78,669 | | 11,208 | |
| Cash at bank and in hand | | 10,100 | | 3,208 | |
| | | <u>88,769</u> | | <u>14,416</u> | |
| Creditors: amounts falling due within one year | 13 | (714,382) | | (73,525) | |
| Net current liabilities | | | (625,613) | | (59,109) |
| Net liabilities | | | <u>(601,810)</u> | | <u>(59,109)</u> |
| Capital and reserves | | | | | |
| Called up share capital | 15 | | 210 | | 210 |
| Share premium account | | | 499,937 | | 499,937 |
| Profit and loss reserves | | | (1,101,957) | | (559,256) |
| Total equity | | | <u>(601,810)</u> | | <u>(59,109)</u> |

The financial statements were approved and signed by the director and authorised for issue on 21/12/22


G Smith
Director

Company Registration No. 10008580

TAIL OFFERS LTD

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2022

| | Share capital £ | Share premium account £ | Profit and loss reserves £ | Total £ |
|--|-----------------------|----------------------------------|-------------------------------------|-----------------------|
| Balance at 1 January 2020 | 210 | 499,937 | (596,724) | (96,577) |
| Period ended 31 March 2021: | | | | |
| Profit and total comprehensive income for the period | - | - | 37,468 | 37,468 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Balance at 31 March 2021 | 210 | 499,937 | (559,256) | (59,109) |
| Year ended 31 March 2022: | | | | |
| Loss and total comprehensive income for the year | - | - | (542,701) | (542,701) |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Balance at 31 March 2022 | <hr/> <hr/> 210 | <hr/> <hr/> 499,937 | <hr/> <hr/> (1,101,957) | <hr/> <hr/> (601,810) |

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Company information

Tail Offers Ltd is a private company limited by shares incorporated in England and Wales. The registered office is 15 Belgrave Square, London, SW1X 8PS.

1.1 Reporting period

The comparative figures are for the period of 15 months ending on 31 March 2021.

1.2 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.

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.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Quantum Financial Holdings Limited. These consolidated financial statements are available from the Registrar of Companies of England and Wales.

1.3 Going concern

The financial statements have been prepared on the assumption that the company is a going concern. At the balance sheet date, the company had net liabilities of £601,810 (2021: £59,109). The company meets its day to day working capital requirements through operating cash flows and through the financial support provided by its ultimate parent undertaking, Quantum Financial Holdings Limited. The ultimate parent company directors have indicated that they intend to seek further financial support from existing and new shareholders, as they have done in the past, in order to provide the necessary finance. The ultimate parent company directors have indicated that funding has been secured.

Having reviewed the company's financial forecast and assuming continued support from the company's ultimate parent undertaking, Quantum Financial Holdings Limited, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, a period of not less than 12 months from the date of approval of these financial statements.

Accordingly, the directors continue to adopt the going concern basis of accounting in preparing the financial statements for the year ended 31 March 2022.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies**(Continued)****1.4 Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for goods and services 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.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

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.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

1.5 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|---------------------|-------------------|
| Systems Development | 20% straight line |
|---------------------|-------------------|

1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|-----------------------|-------------------|
| Fixtures and fittings | 33% straight line |
|-----------------------|-------------------|

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**FOR THE YEAR ENDED 31 MARCH 2022**

1 Accounting policies**(Continued)****1.8 Impairment of fixed assets**

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.9 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 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.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

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.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**FOR THE YEAR ENDED 31 MARCH 2022**

1 Accounting policies**(Continued)*****Derecognition of financial liabilities***

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.11 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.12 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.

1.13 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.15 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.16 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 in the period are included in profit or loss.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the director is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Turnover and other revenue

| | 2022 £ | 2021 £ |
|---|--------------|---------------|
| Turnover analysed by class of business | | |
| Cashback Program | 740 | 4,370 |
| Intercompany Retainer fee | 4,800 | 6,000 |
| | <u>5,540</u> | <u>10,370</u> |
| | | |
| | 2022 £ | 2021 £ |
| Other revenue | | |
| Grants received | 1,372 | 28,133 |
| | <u>1,372</u> | <u>28,133</u> |

All turnover has arisen in the UK.

During the year, the company received grants from HMRC under the CJRS (Coronavirus Job Retention Scheme) totalling £1,372.

TAIL OFFERS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

4 Operating loss

| | 2022 | 2021 |
|---|-------------------|-------------------|
| | £ | £ |
| Operating loss for the year is stated after charging/(crediting): | | |
| Exchange gains | - | (10) |
| Research and development costs | 1,300 | 725 |
| Government grants | (1,372) | (28,133) |
| Fees payable to the company's auditor for the audit of the company's financial statements | 2,900 | 2,100 |
| Depreciation of owned tangible fixed assets | 1,763 | - |
| Amortisation of intangible assets | 5,056 | - |
| | <u> </u> | <u> </u> |

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

| | 2022 | 2021 |
|------------|----------|----------|
| | Number | Number |
| Sales | 2 | 1 |
| Operations | 3 | 2 |
| Total | <u>5</u> | <u>3</u> |

Their aggregate remuneration comprised:

| | 2022 | 2021 |
|-----------------------|----------------|----------------|
| | £ | £ |
| Wages and salaries | 322,533 | 162,466 |
| Social security costs | 38,058 | 13,793 |
| Pension costs | 4,263 | 3,346 |
| | <u>364,854</u> | <u>179,605</u> |

6 Director's remuneration

| | 2022 | 2021 |
|---|----------|---------------|
| | £ | £ |
| Remuneration for qualifying services | - | 59,167 |
| Company pension contributions to defined contribution schemes | - | 1,115 |
| | <u>-</u> | <u>60,282</u> |

7 Interest payable and similar expenses

| | 2022 | 2021 |
|----------------|-------------------|-------------------|
| | £ | £ |
| Other interest | - | 340 |
| | <u> </u> | <u> </u> |

TAIL OFFERS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

8 Amounts written off investments

| | 2022 £ | 2021 £ |
|---|-----------|-----------|
| Amounts written back to financial liabilities | - | 230,300 |

9 Taxation

| | 2022 £ | 2021 £ |
|--|-----------|-----------|
| Current tax | | |
| UK corporation tax on profits for the current period | (51,566) | (5,114) |

The actual credit for the year can be reconciled to the expected (credit)/charge for the year based on the profit or loss and the standard rate of tax as follows:

| | 2022 £ | 2021 £ |
|---|-----------|-----------|
| (Loss)/profit before taxation | (594,267) | 32,354 |
| Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%) | (112,911) | 6,147 |
| Tax effect of expenses that are not deductible in determining taxable profit | 426 | 12 |
| Gains not taxable | - | (72) |
| Tax effect of utilisation of tax losses not previously recognised | - | (6,701) |
| Unutilised tax losses carried forward | 113,470 | - |
| Permanent capital allowances in excess of depreciation | (985) | - |
| Research and development tax credit | (51,566) | (5,114) |
| Tax at marginal rate | - | 614 |
| Taxation credit for the year | (51,566) | (5,114) |

TAIL OFFERS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

10 Intangible fixed assets

| | Systems Development £ |
|------------------------------------|-----------------------------|
| Cost | |
| At 1 April 2021 | - |
| Additions | 25,280 |
| | <hr/> |
| At 31 March 2022 | 25,280 |
| | <hr/> |
| Amortisation and impairment | |
| At 1 April 2021 | - |
| Amortisation charged for the year | 5,056 |
| | <hr/> |
| At 31 March 2022 | 5,056 |
| | <hr/> |
| Carrying amount | |
| At 31 March 2022 | 20,224 |
| | <hr/> <hr/> |
| At 31 March 2021 | - |
| | <hr/> <hr/> |

11 Tangible fixed assets

| | Fixtures and fittings £ |
|------------------------------------|-------------------------------|
| Cost | |
| At 1 April 2021 | - |
| Additions | 5,342 |
| | <hr/> |
| At 31 March 2022 | 5,342 |
| | <hr/> |
| Depreciation and impairment | |
| At 1 April 2021 | - |
| Depreciation charged in the year | 1,763 |
| | <hr/> |
| At 31 March 2022 | 1,763 |
| | <hr/> |
| Carrying amount | |
| At 31 March 2022 | 3,579 |
| | <hr/> <hr/> |
| At 31 March 2021 | - |
| | <hr/> <hr/> |

TAIL OFFERS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

12 Debtors

| | 2022 | 2021 |
|---|---------------|---------------|
| | £ | £ |
| Amounts falling due within one year: | | |
| Trade debtors | 629 | - |
| Corporation tax recoverable | 51,566 | 5,114 |
| Other debtors | 18,649 | 568 |
| Prepayments and accrued income | 7,825 | 5,526 |
| | <u>78,669</u> | <u>11,208</u> |

13 Creditors: amounts falling due within one year

| | 2022 | 2021 |
|------------------------------------|----------------|---------------|
| | £ | £ |
| Trade creditors | 84,396 | 3,060 |
| Amounts owed to group undertakings | 553,488 | 65,000 |
| Taxation and social security | 70,483 | 736 |
| Other creditors | 1,446 | 99 |
| Accruals and deferred income | 4,569 | 4,630 |
| | <u>714,382</u> | <u>73,525</u> |

14 Retirement benefit schemes

| | 2022 | 2021 |
|---|--------------|--------------|
| | £ | £ |
| Defined contribution schemes | | |
| Charge to profit or loss in respect of defined contribution schemes | <u>4,263</u> | <u>3,346</u> |

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

15 Share capital

| | 2022 | 2021 | 2022 | 2021 |
|-------------------------------|----------------|----------------|------------|------------|
| | Number | Number | £ | £ |
| Ordinary share capital | | | | |
| Issued and fully paid | | | | |
| Ordinary Shares of 0.1p each | <u>210,000</u> | <u>210,000</u> | <u>210</u> | <u>210</u> |

16 Related party transactions

Transactions with related parties

The company has taken advantage of the exemption in paragraph 33.1A within FRS 102 to not disclose transactions entered into between two or more members of a group, provided that any subsidiary which is party to the transactions is wholly-owned by such a member.