

AT GLOBAL HOLDINGS LIMITED
Consolidated Annual Report
and Financial Statements
for the year ended 30 January 2021

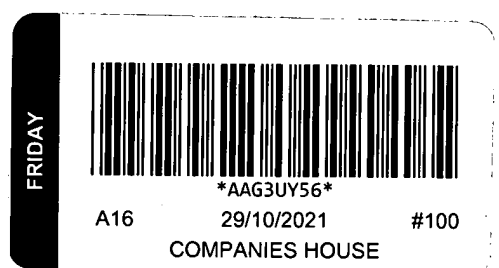
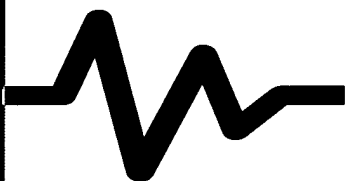


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General Information

Directors

A. Thompson
A. Lu

Registered office

The Old Chapel, Union Way,
Witney, OX28 6HD England

Independent Auditors

DSA Prospect Audit Limited
The Old Chapel, Union Way
Witney, OX28 6HD Oxon

Company registration number

12086429

Strategic Report

The Board of Directors present their Strategic Report for the group for the year ended 30 January 2021.

About us

AT Global Holdings Limited and its subsidiaries ('ATG') commenced its operations during the current financial year following a successful merger that aimed to create synergies and economies of scale. We partnered with a factory in Asia to secure product exclusivity and growth capital.

We operate in the eCommerce industry as a retailer of a wide range of own branded products sold online on various platforms. These products are sourced from within the US and Asia and stored in various locations in the US and Europe. Our main sales channels are USA, Canada, UK and Europe. We are looking to expand ATG's operations and enter markets where we feel we can add products with higher quality and added value to those already in the market.

At ATG we have various social media profiles reflecting some of our key consumer brands. We are also consistently launching new brands which we feel have high social media value.

We use our social media profiles to promote and market our current and soon to launch products as a first point of contact for new and current customers giving them lifestyle and product usage inspiration. We also use our social platforms for influencer outreach, securing partnerships with content creators to further grow awareness of our brands as well as drive traffic to our listings, help promote newly launched products and ultimately promotions and/or conversions.

Financial review

There is no comparative information available as the group was formed early 2020.

	2021 £
Online sales	78,383,632
Wholesale	29,019
Other sales	4,964
Total sales	78,417,615
Cost of sales	(61,747,957)
Gross profit	16,669,658
Operating expenses	(6,838,392)
Profit from operations	9,831,266
Net finance expenses	(646,198)
Profit before tax	9,185,068

Sales

Due to the global pandemic and despite the tough and adverse economic environment, online retail sales performed extremely well this year exceeding expectations. As most sales channels were restricted, customers (many of whom previously unseen) were pushed to online shopping while global lockdowns were in place. Markets expanded and consumer products saw a boost due to disposable incomes not spent elsewhere.

The business has delivered an exceptionally strong financial performance during its first year of operations with sales reaching £78.4m. Products were primarily offered to US customers (£76.1m) while other markets (UK, Europe, Canada and Mexico) emerged a bit later in the year (£2.3m).

Strategic Report

Product range

We own all our brands and sell B2C (Business-to-Consumer), giving us full end-to-end control over our product development and supply chain, providing multiple opportunities to maximise customer value. We have 22 in-house brands and more than 1,000 products ranging from lifestyle electronics, storage, cookware, utensils, bedding, kitchen gadgets and many more.

Performance by product category (excl. refunds)

	2021 £	% of sales
Kitchen equipment	35,876,189	44.10%
Sports equipment	16,384,343	20.14%
Kitchen storage	10,626,530	13.06%
Arts and crafts	8,482,874	10.43%
Bedding	7,815,348	9.61%
Drink containers	1,959,163	2.41%
Miscellaneous	210,572	0.25%
Total	81,355,019	100.00%

ATG had a strong financial year in its traditional categories of home kitchen equipment. It also saw rapid expansion in new markets such as arts and crafts and small sports equipment.

Operating expenses

	2021 £	% of sales
Administrative	988,838	1.26%
Business growth	2,701,901	3.45%
Facilities and operations	248,261	0.32%
People	2,841,933	3.62%
Travel	57,459	0.07%
Total operating expenses	6,838,392	8.72%

Profitability

The Board of Directors are also satisfied with the level of profitability achieved. The business closed the year with a gross profit of £16.7m and EBITDA of £9.3m.

Cash flow

We closed the year with an increase in cash and cash equivalents of £2.2m, including the cash proceeds from the merger (£1.8m). As the group was focused in building up its inventory levels, EBITDA of £9.3m was mainly used to finance stock purchases. Securing favorable payment terms with many suppliers resulted in cash savings of £8.8m.

Financial position at the end of the financial year

The group finished the year with satisfactory quick and current ratios at 54.80% and 152.35% respectively.

Strategic and operational risks and uncertainties

Our risk-related policies apply to every part of our business in the manner needed to be effective within our own unique culture. They empower us to identify and determine what our key risks and uncertainties are and how to manage them appropriately. This in turn enables us to meet our day-to-day strategic objectives which underpin the sustainable growth and long-term viability of our business. Identifying these risks is a continued process which plays an integral part of our operations.

Strategic Report

ATG's Board of Directors has the overall responsibility for risk management and application controls. This involves continuous reviews of our risk-related policies so that they remain fit for purpose and evolve in our dynamic business. Key risks identified and their mitigating actions are outlined below.

eCommerce market dynamics

Consumers are more and more exposed to an increasingly global and competitive eCommerce environment. Failure to evolve our business model and be the top choice in the minds of our audience could result in ATG losing opportunities and market share. We need to stay ahead of the game and relevant despite customers having more choices in front of them. Consumers being overwhelmed by the propositions of competitors with more agile business models could impact our long-term growth and profitability.

We continue to focus on expanding our uniqueness of products by offering product diversification at competitive prices. We monitor the product ranges of our competitors and we aim to leverage customers by offering more added extras and bonuses. Price competitiveness and good customer experience – from ordering right through to delivery of the product – are also high on our priorities if we want to stay ahead of the curve.

Foreign exchange rate exposure

We are a UK-based global retailer and sell products to customers across the world in many different currencies, whilst recognizing revenues in our financial statements in pounds sterling. Global growth and the increasing proportion of customers shopping with us from international markets will continue to drive greater foreign exchange exposure. The volatility in foreign exchange rates creates increased risk on our profitability.

We continue to drive profitability through natural hedging in local fulfilment currencies.

Freight costs

Container shortage and port congestions are some of the reasons for global freight prices fluctuations causing major disruptions to businesses aiming for goods reaching the warehouses on a specific timeframe. Failure to project how fast or sharply freight costs are increasing has a direct impact on our profitability margins.

Our internal logistics team focus on maintaining good relationships with our freight forward partners. They continue to monitor freight prices and work to finding cheapest ways to ship our products.

Key Performance Indicators (KPIs)

The key performance indicators reflect the group's performance for the year.

Financial objectives

Our key financial measures give us a clear indication of the overall performance and position of ATG.

	2021
Revenue Online sales less sales returns and promotions	£78,383,632
Gross margin % Gross profit as a percentage of revenue	21.26%
EBITDA margin % Profit before interest, tax, depreciation and amortisation as a percentage of revenue	11.84%
EBIT margin % Operating profit as a percentage of revenue	11.82%
Profit before tax	£9,185,068
Cash generation The movement between opening and closing net funds position where net funds is the cash and cash equivalents less net borrowings	£2,225,273

Strategic Report

Strategic objectives

We are really pleased with the progress of all our key strategic measures.

2021

ABV Average basket value, being total order value before returns and promotions, divided by total orders	£27.19
Orders Total orders placed	3.07m
Average sales price Last twelve months sales prices	£21.35
Customers reviews Average number of stars	4.6
Numbers of products with 4 stars+	1,216

The people behind ATG

Without our people, we have no business, and as we continue to grow, this is an area we believe in strongly. We operate a hybrid working model with remote and non-remote working practices and we understand the importance of creating a truly engaged and inclusive environment for all.

We ask our people to act like 'entrepreneurs' within the business and be accountable for their results. It is only fair that we reward their efforts and dedication with a variety of tangible and intangible benefits. We are proud of our total offering and the impact this can have for not only our people but the wider communities we work with. We are committed to honouring our people and the trust they place in us. We work together to maintain our brilliant culture as we continue to grow.

Looking to the future

Strategic focus

ATG moves forward with an increased focus on product innovation and diversification as the global consumer base continues to place increased emphasis on eCommerce as their preferred method of shopping.

Outlook

Looking ahead, we continue to be well positioned to capture consumers needs through the continued development of our brands and exploration of new markets. By pairing ourselves with like-minded individuals, we continue to work together and lead the industry in terms of value-added quality products and customer experience. We want to be the customer's choice for their online shopping needs.

In February 2021 we became global following another successful merger with a US group of companies whose product lines in the men's grooming category quickly established themselves as a leader in the marketplace. This strategic move led to a large capital injection to invest in new products and people as we continue our pursuit of being industry leaders.

Capital management

The group's capital management is discussed in note 5.

S172 Statement

The directors have acted in a way that they considered, in good faith, to be most likely to promote the success of the company for the benefit of its members as a whole and, in doing so, had regard, amongst other matters, to those matters set out in section 172(1)(a) to (f) of the Companies Act 2006, being:

- the likely consequences of any decision in the long term;
- the interests of the company's employees;
- the need to foster the company's business relationships with suppliers, customers and others;
- the impact of the company's operations on the community and the environment;
- the desirability of the company maintaining a reputation for high standards of business conduct; and the need to act fairly as between members of the company.

Strategic Report

Our stakeholders

AT Global Holdings Limited has identified its key stakeholders as being its: employees, customers, suppliers, shareholders, debt capital providers and communities. Building and nurturing these relationships based on professionalism, fair dealing and integrity is critical to our success.

Our engagement

Our extensive engagement efforts help to ensure that the Board can understand, consider and balance broad stakeholder interests when making decisions to deliver long-term sustainable success.

Board processes

While the Board will engage directly with stakeholders on certain issues, stakeholder engagement will often take place at an operational level with the Board receiving regular updates on stakeholder views from the Directors and senior management. As part of the director induction process, directors receive a briefing and induction materials regarding their duties under s.172 and to ensure that they understand the duties of the Board and the importance of s.172(1) matters in AT Global Limited's strategy discussions and decision making. Board papers for all key decisions are required to include a specific section reviewing the impact of the proposal on relevant stakeholder groups as well as other s.172(1) considerations.

Ethical Trading

A central tenet of the group's business is to be trading in a fair and ethical way with both the group's suppliers and customers for all of whom it is now a prerequisite.

The group recognises that global supply chains can be complicated and an increasing focus on transparency is required to ensure the fair and equal treatment of all people within these. The group is clear about the standards expected within our supply chains.

The group is committed to understanding the modern slavery risks within the business and to putting controls in place to mitigate against these risks.

The group's approach to delivering our priorities related to human rights is focused on continuous improvement, capacity building for supply chain partners, and collaborating for change. With regards to collaboration the group is actively engaged with organisations who share the same goals.

The group is proud to have been trading in this way for the current year and will continue to challenge itself and its partners to follow the group's chosen path of continuous improvement within the supply chain.

Approval by the Board of Directors

The directors of the company approve the issuance of the Strategic Report.



A. Thompson
25th October 2021

Directors' Report

The directors present their report and the audited financial statements of the group and company for the year ended 30 January 2021. They also present the Strategic Report which they have issued and is presented within this Annual Report.

Change of name

On 6 February 2020, the company has changed its name from Blue Sky Online Holdings Limited to AT Global Holdings Limited.

Subsidiaries

The group has 7 subsidiaries; a complete list is provided in note 12 of the consolidated financial statements on page 29.

Dividends

During the year, AT Global Holdings Limited has declared and paid an interim dividend of £57,098 (2020: £nil).

Research and development

During the year, the group has incurred expenditure for research and development activities amounting to £64,948 (2020: £nil).

Donations and gifts

During the year, the group did not make any material gifts or donations (2020: £nil).

Trade creditors

The group's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The group's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the group's contractual and other legal obligations.

Trade creditors of the group at the year end were equivalent to 60 day's purchases, based on the average daily amount invoiced by suppliers during the year.

Independent auditors

DSA Prospect Audit Limited have been appointed as the company's auditors for the financial year ended 30 January 2021. In accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Statement of disclosure of information to auditors

As at the date of this report, each director can state that:

- i. So far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- ii. The directors have taken steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information

Directors' Report

Financial instruments

The group operates a treasury function which is responsible for managing the liquidity, interest and foreign currency risks associated with the group's activities.

The group's principal financial instruments include trade debtors and trade creditors arising directly from its operations.

A description of the financial risks facing the business, and the group's approach to managing these risks is discussed in detail in note 30.

Post balance sheet events

Any important events affecting the group after the end of the financial year are discussed in note 31.

Going concern

No material uncertainties have been identified by the directors that may cast significant doubt about the ability of the group to continue as a going concern.

The group ended the year with net cash position of £2.2 million at 30 January 2021. In February 2021, it has secured a 4-year loan facility of €50 million (£44.1 million) and further \$25.2 million (£18.5 million) was contributed by its majority shareholder through issue of share capital.

Strategic report

This is set out on pages 1 to 5 of the Annual Report and includes an indication of likely future developments.

Energy and carbon emission reporting

During the year, the group consumed less than 40,000 kWh of energy in the United Kingdom.

Directors

The directors of the company who were in office during the year and up to the date of signing the financial statements were:

A. Thompson
A. Lu

Date of authorization for the issue of financial statements

The consolidated financial statements set out on pages 12 to 34, which have been prepared on a going concern basis, were approved by the directors on 25th October 2021, and were signed on its behalf by:

Approval by the Board

The directors of the company approve the issuance of the Directors' Report.



A. Thompson
25th October 2021

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company Law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the consolidated and company financial statements in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' ('FRS 102') and the Companies Act 2006. Under Company Law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the *state of affairs of the group and the company and of the profit or loss of the group and the company for that period*. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether United Kingdom Accounting Standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' ('FRS 102') have been followed for the group and the company financial statements, subject to any material departures disclosed and explained in the financial statements;
- making judgements and accounting estimates that are responsible and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business

The directors are also responsible for safeguarding the assets of the group and the company and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Independent auditors' report to the members of AT Global Holdings Limited

Opinion

We have audited the financial statements of AT Global Holdings Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 January 2021 which comprise the group profit and loss account, the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows, the company statement of cash flows 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 FRS 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 group's and the parent company's affairs as at 30 January 2021 and of the group's profit 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 directors' 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 group's and parent 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 directors 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 directors are 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.

Independent auditors' report to the members of AT Global Holdings Limited

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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are 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 directors determine 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 directors are responsible for assessing the parent 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 directors either intend to liquidate the company or to cease operations, or have 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.

The auditor's assessment of the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur.

Which laws and regulations the auditor identified as being of significance in the context of the entity.

Independent auditors' report to the members of AT Global Holdings Limited

The auditor's explanation of its audit response will depend on the risks identified but may include:

- Enquiry of management, those charged with governance and the entity's solicitors (or in-house legal team) around actual and potential litigation and claims.
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing internal audit reports.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

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.



Mr Gary John McHale FCCA (Senior Statutory Auditor)
For and on behalf of DSA Prospect Audit Limited

Date: 25 October 2021

Chartered Certified Accountants
Statutory Auditor

The Old Chapel
Union Way
Witney
Oxfordshire
OX28 6HD

Consolidated profit and loss account and comprehensive income For the year ended 30 January 2021

	Notes	2021 £	2020 £
Revenue	6	78,417,615	-
Cost of sales			
Direct inventory costs		(30,674,594)	-
Platform fees		(28,561,863)	-
Other direct costs		(2,511,500)	-
		(61,747,957)	-
Gross profit		16,669,658	-
Operating expenses		(6,838,392)	-
Profit from operations		9,831,266	-
Net finance expenses	9	(646,198)	-
Profit before tax		9,185,068	-
Taxation	11	(1,790,627)	-
Profit for the year		7,394,441	-
Losses on foreign currency translations		(68,129)	-
Other comprehensive loss		(68,129)	-
Total comprehensive income for the year		7,326,312	-
Profit attributable to:			
Owners of the parent		7,326,312	-
Total comprehensive income attributable to:			
Owners of the parent		7,326,312	-

The accompanying notes are an integral part of the financial statements.

Consolidated balance sheet
As at 30 January 2021

	Notes	2021 £	2020 £
Non-current assets			
Tangible assets	15	32,260	-
Intangible assets	16	21,869	-
Total non-current assets		54,129	-
Current assets			
Inventories	18	15,157,877	-
Trade and other receivables	19	4,826,775	-
Loans receivable	20	1,471,070	-
Cash and cash equivalents		2,216,134	1,000
Total current assets		23,671,856	1,000
Current liabilities			
Trade and other payables	21	12,513,233	-
Corporation tax payable		1,560,635	-
Interest bearing borrowings	23	1,463,732	-
Total current liabilities		15,537,600	-
Non-current liabilities			
Deferred Tax	22	3,446	-
Total non-current liabilities		3,446	-
Net assets		8,184,939	1,000
Capital and reserves			
Called-up share capital	24	1,000	1,000
Merger reserve	24	914,725	-
Currency translation reserve		(68,129)	-
Retained earnings		7,337,343	-
Total equity		8,184,939	1,000

The consolidated financial statements of AT Global Holdings Limited on pages 12 to 34 were approved by the Board of Directors on 25th October 2021 and signed on its behalf by:



A. Thompson
Director

The accompanying notes are an integral part of the financial statements.

Consolidated statement of changes in equity
For the year ended 30 January 2021

	Notes	Share capital £	Currency translation reserve £	Merger reserve £	Retained earnings £	Total equity £
Balance as at 31 January 2019		-	-	-	-	-
Loss for the year		-	-	-	-	-
Losses on foreign currency translations		-	-	-	-	-
Total comprehensive loss for the year		-	-	-	-	-
Issue of shares		1,000	-	-	-	1,000
Balance as at 30 January 2020		1,000	-	-	-	1,000
Profit for the year		-	-	-	7,394,441	7,394,441
Losses on foreign currency translations		-	(68,129)	-	-	(68,129)
Total comprehensive income for the year		-	(68,129)	-	7,394,441	7,326,312
Share-for-share exchanges from reorganisation	24	-	-	914,725	-	914,725
Dividends paid	24	-	-	-	(57,098)	(57,098)
Balance as at 30 January 2021		1,000	(68,129)	914,725	7,337,343	8,184,939

The accompanying notes are an integral part of the financial statements.

Consolidated statement of cash flows
For the year ended 30 January 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
Profit before tax		9,185,068	-
Adjustments for non-cash items:			
Depreciation of tangible assets	15	7,120	-
Loss on disposal of tangible assets	15	1,678	-
Net foreign exchange differences		(200,486)	-
Legal fees		32,299	-
Provisions		(120,258)	-
Finance costs		89,857	-
Working capital movements:			
Increase in trade and other receivables		(1,708,218)	-
Increase in inventories		(10,514,711)	-
Increase in trade and other payables		6,991,272	-
Cash flows from operating activities		3,763,621	-
Interest paid		(89,857)	-
Taxation paid		(449,918)	-
Net cash flows from operating activities		3,223,846	-
Cash flows from investing activities			
Purchases of tangible assets		(33,209)	-
Purchases of intangible assets		(21,869)	-
Loans granted		(1,471,070)	-
Dividends paid		(57,098)	-
Purchase of subsidiaries (net of cash acquired)		1,815,361	-
Net cash flows from investing activities		232,115	-
Cash flows from financing activities			
Proceeds from issue of shares		-	1,000
Amounts paid to companies under common control		(390,576)	-
Amounts paid to related parties		(2,313,983)	-
Drawdowns of borrowings		1,463,732	-
Net cash flows (used in)/from financing activities		(1,240,827)	1,000
Net increase in cash and cash equivalents		2,215,134	1,000
Cash at cash equivalents at the beginning of the year		1,000	-
Cash and cash equivalents at the end of the year	26	2,216,134	1,000

The accompanying notes are an integral part of the financial statements.

Notes to the consolidated financial statements

For the year ended 30 January 2021

1. General information

AT Global Holdings Limited ('the company') and its subsidiaries ('the group') operate in the e-commerce sector. The principal activity of the group is the online sale of products through use of various platforms.

The company is a private company limited by shares and is incorporated in England and Wales. The address of its registered office is The Old Chapel, Union Way, Witney OX28 6HD, England.

2. Statement of compliance

The consolidated financial statements of AT Global Holdings Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' ('FRS 102') and the Companies Act 2006.

3. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

a. Basis of preparation

The consolidated financial statements are prepared on a going concern basis under the historical cost convention.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 4.

b. COVID-19 pandemic

The additional risk of the impact of COVID-19 on the group has been assessed by the directors. The directors do not expect COVID-19 to have a material impact on the group's future operations.

c. Going concern

The group meets its day-to-day working capital requirements through its bank facilities. The current economic conditions continue to create uncertainty over (a) the level of demand for the group's products; and (b) the availability of bank finance for the foreseeable future. The group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the group should be able to operate within the level of its current facilities. After making enquiries, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The group therefore continues to adopt the going concern basis in preparing its financial statements.

d. Basis of consolidation

The group consolidated financial statements include the financial statements of the company and all its subsidiary undertakings.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Where the group owns less than 50% of the voting powers of an entity but controls the entity by virtue of an agreement with other investors which give it control of the financial and operating policies of the entity, it accounts for that entity as a subsidiary.

Notes to the consolidated financial statements

For the year ended 30 January 2021

Where a subsidiary has different accounting policies to the group, adjustments are made to those subsidiary financial statements to apply the group's accounting policies when preparing the consolidated financial statements.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the group holds a long-term interest and where the group has significant influence. The group considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate. The results of associates are accounted for using the equity method of accounting.

Any subsidiary undertakings or associates sold or acquired during the year are included up to, or from, the dates of change of control or change of significant influence respectively.

Where control of a subsidiary is lost, the gain or loss is recognised in the consolidated income statement. The cumulative amounts of any exchange differences on translation, recognised in equity, are not included in the gain or loss on disposal and are transferred to retained earnings. The gain or loss also includes amounts included in other comprehensive income that are required to be reclassified to profit or loss but excludes those amounts that are not required to be reclassified.

Where control of a subsidiary is achieved in stages, the initial acquisition that gave the group control is accounted for as a business combination. Thereafter where the group increases its controlling interest in the subsidiary the transaction is treated as a transaction between equity holders. Any difference between the fair value of the consideration paid and the carrying amount of the non-controlling interest acquired is recognised directly in equity. No changes are made to the carrying value of assets, liabilities or provisions for contingent liabilities.

All intra-group transactions, balances, income and expenses are eliminated on consolidation. Adjustments are made to eliminate the profit or loss arising on transactions with associates to the extent of the group's interest in the entity.

e. Foreign currency

i. *Functional and presentation currency*

The consolidated financial statements are presented in Sterling pounds.

ii. *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 profit and loss account.

All foreign exchange gains and losses are presented in the profit and loss account within 'operating expenses'.

Notes to the consolidated financial statements

For the year ended 30 January 2021

iii. Translation

The trading results of group undertakings are translated into Sterling pounds at the average exchange rates for the year. The assets and liabilities of overseas undertakings, including goodwill and fair value adjustments arising on acquisition, are translated at the exchange rates ruling at the year-end. Exchange adjustments arising from the retranslation of opening net investments and from the translation of the profits or losses at average rates are recognised in 'Other comprehensive income' and allocated to non-controlling interest as appropriate.

f. Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents the amount receivable for goods supplied, net of returns, discounts and promotions allowed by the group and value added taxes.

The group bases its estimate of returns on actual results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Where the consideration receivable in cash or cash equivalents is deferred, and the arrangement constitutes a financing transaction, the fair value of the consideration is measured as the present value of all future receipts using the imputed rate of interest.

The group recognises revenue when (a) the significant risks and rewards of ownership have been transferred to the buyer; (b) the group retains no continuing involvement or control over the goods; (c) the amount of revenue can be measured reliably; (d) it is probable that future economic benefits will flow to the entity and (e) when the specific criteria relating to the group's sales channel have been met, as described below.

i. Sale of goods – internet based transactions

The group sells goods online on Amazon and other platforms for delivery to the customer. Revenue is recognised when the risks and rewards of the inventory are passed to the customer. The point of acceptance is the delivery of goods to the customer.

Provision is made for credit notes based on the expected level of returns which is based on the actual experience of returns.

ii. Interest income

Interest income is recognised using the effective interest rate method.

g. Employee benefits

The group provides a range of benefits to employees, including annual bonus arrangements, paid holiday arrangements and defined contribution pension plans.

i. Short term benefits

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

ii. Defined contribution pension plans

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

Notes to the consolidated financial statements

For the year ended 30 January 2021

The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the group in independently administered funds.

iii. Annual bonus plan

The group operates an annual bonus plan for certain employees. An expense is recognised in the profit and loss account when the group has a legal or constructive obligation to make payments under the plans as a result of past events and a reliable estimate of the obligation can be made.

h. Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

i. Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated based on tax rates and laws that have been enacted or substantively enacted by the period end.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate based on amounts expected to be paid to the tax authorities.

ii. Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when 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 tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

i. Business combinations and goodwill

All business combinations shall be accounted for by applying the purchase method, except for group reconstructions which may be accounted for by using the merger accounting method.

i. Purchase method

The cost of a business combination is the fair value of the consideration given, liabilities incurred or assumed and of equity instruments issued plus the costs directly attributable to the business combination. Where control is achieved in stages the cost is the consideration at the date of each transaction.

Notes to the consolidated financial statements
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Contingent consideration is initially recognised at estimated amount where the consideration is probable and can be measured reliably. Where (i) the contingent consideration is not considered probable or cannot be reliably measured but subsequently becomes probable and measurable or (ii) contingent consideration previously measured is adjusted, the amounts are recognised as an adjustment to the cost of the business combination.

On acquisition of a business, fair values are attributed to the identifiable assets, liabilities and contingent liabilities unless the fair value cannot be measured reliably, in which case the value is incorporated in goodwill. Intangible assets are only recognised separately from goodwill where they are separable and arise from contractual or other legal rights. Where the fair value of contingent liabilities cannot be reliably measured they are disclosed on the same basis as other contingent liabilities.

Goodwill recognised represents the excess of the fair value and directly attributable costs of the purchase consideration over the fair values to the group's interest in the identifiable net assets, liabilities and contingent liabilities acquired.

On acquisition, goodwill is allocated to cash-generating units ('CGU's') that are expected to benefit from the combination.

Goodwill is amortised over its expected useful life which is estimated to be ten years. Goodwill is assessed for impairment when such indicators exist, and any impairment is charged to the income statement. No reversals of impairment are recognised.

ii. Merger accounting method

With the merger accounting method, the carrying values of the assets and liabilities of the parties to the combination are not required to be adjusted to fair value, although appropriate adjustments shall be made to achieve uniformity of accounting policies in the combining entities.

All undertakings in the group should follow uniform accounting policies and, where this is not the case, appropriate adjustments should be made in the consolidated financial statements to achieve uniformity. This requirement is equally applicable whether acquisition or merger accounting is adopted. Thus, although book amounts rather than fair values of the net assets of the merged subsidiary are used for the purpose of consolidation, these book amounts should first be adjusted to the extent necessary to achieve uniformity in accounting policies.

The results and cash flows of all the combining entities shall be brought into the financial statements of the combined entity from the beginning of the financial year in which the combination occurred, adjusted to achieve uniformity of accounting policies. The comparative information shall be restated by including the total comprehensive income for all the combining entities for the previous reporting period and their statement of financial position for the previous reporting date, adjusted as necessary to achieve uniformity of accounting policies.

The difference, if any, between the nominal value of the shares issued plus the fair value of any other consideration given, and the nominal value of the shares received in exchange shall be shown as a movement on other reserves in the consolidated financial statements. Any existing balances on the share premium account or capital redemption reserve of the new subsidiary shall be brought in by being shown as a movement on other reserves. These movements shall be shown in the statement of changes in equity.

Notes to the consolidated financial statements

For the year ended 30 January 2021

Merger expenses are not to be included as part of this adjustment but shall be charged to the statement of comprehensive income as part of profit or loss of the combined entity at the effective date of the group reconstruction.

j. Intangible assets

Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated, using the straight-line method, to allocate the depreciable amount of the assets to their residual values over their estimated useful lives, as follows:

- Software 3-5 years
- Acquired brands and trademarks 5-10 years

Amortisation is included in 'operating expenses' in the profit and loss account.

Where factors, such as technological advancement or changes in market price, indicate that residual value or useful life have changed, the residual value, useful life or amortisation rate are amended prospectively to reflect the new circumstances.

The assets are reviewed for impairment if the above factors indicate that the carrying amount may be impaired.

Costs associated with maintaining computer software are recognised as an expense as incurred.

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use;
- management intends to complete the software and use or sell it;
- there is an ability to use or sell the software;
- it can be demonstrated how the software will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software are available; and
- the expenditure attributable to the software during its development can be reliably measured.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

k. Tangible assets

Tangible assets are stated at cost (or deemed cost) less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use, dismantling and restoration costs.

i. Computer equipment - measurement

Computer equipment is stated at cost less accumulated depreciation and accumulated impairment losses.

ii. Depreciation and residual values

Depreciation is calculated using the straight-line method as follows:

Computer equipment 3-8 years

Notes to the consolidated financial statements

For the year ended 30 January 2021

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively.

iii. Subsequent measurement

Subsequent costs, including major inspections, are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that economic benefits associated with the item will flow to the group and the cost can be measured reliably.

The carrying amount of any replaced component is derecognised. Major components are treated as separate assets where they have significantly different patterns of consumption of economic benefits and are depreciated separately over their useful lives.

Repairs, maintenance and minor inspection costs are expensed as incurred.

iv. Derecognition

Tangible assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in profit or loss and included in 'Other operating income/(expenses)'.

I. Investments

Investment in subsidiary company

Investment in subsidiary company is held at cost less accumulated impairment losses.

m. Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

n. Impairment of non-financial assets

At each balance sheet date non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset (or asset's cash generating unit) may be impaired. If there is such an indication the recoverable amount of the asset (or asset's cash generating unit) is compared to the carrying amount of the asset (or asset's cash generating unit).

The recoverable amount of the asset (or asset's cash generating unit) is the higher of the fair value less costs to sell and value in use. Value in use is defined as the present value of the future cash flows before interest and tax obtainable as a result of the asset's (or asset's cash generating unit's) continued use. These cash flows are discounted using a pre-tax discount rate that represents the current market risk-free rate and the risks inherent in the asset.

If the recoverable amount of the asset (or asset's cash generating unit) is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount.

An impairment loss is recognised in the profit and loss account unless the asset has been revalued when the amount is recognised in other comprehensive income to the extent of any previously recognised revaluation. Thereafter any excess is recognised in profit or loss.

If an impairment loss is subsequently reversed, the carrying amount of the asset (or asset's cash generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised in prior periods. A reversal of an impairment loss is recognised in the profit and loss account.

Notes to the consolidated financial statements

For the year ended 31 January 2021

o. Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to sell. Inventories are recognised as an expense in the period in which the related revenue is recognised.

Cost is determined on the first-in, first-out (FIFO) method. Cost includes the purchase price, including taxes and duties and transport and handling directly attributable to bringing the inventory to its present location and condition.

At the end of each reporting period inventories are assessed for impairment. If an item of inventory is impaired, the identified inventory is reduced to its selling price less costs to complete and sell and an impairment charge is recognised in the profit and loss account. Where a reversal of the impairment is required the impairment charge is reversed, up to the original impairment loss, and is recognised as a credit in the profit and loss account.

p. Leased assets

At inception the group assesses agreements that transfer the right to use assets. The assessment considers whether the agreement is, or contains, a lease based on the substance of the agreement.

i. Finance leased assets

Leases of assets that transfer substantially all the risks and rewards incidental to ownership are classified as finance leases.

Finance leases are capitalised at commencement of the lease as assets at the fair value of the leased asset, or, if lower, the present value of the minimum lease payments calculated using the interest rate implicit in the lease. Where the implicit rate cannot be determined, the group's incremental borrowing rate is used. Incremental direct costs, incurred in negotiating and arranging the lease, are included in the cost of the asset.

Assets are depreciated over the shorter of the lease term and the estimated useful life of the asset. Assets are assessed for impairment at each reporting date.

The capital element of lease obligations is recorded as a liability on inception of the arrangement. Lease payments are apportioned between capital repayment and finance charge, using the effective interest rate method, to produce a constant rate of charge on the balance of the capital repayment outstanding.

ii. Operating leased assets

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the profit and loss account on a straight-line basis over the period of the lease.

iii. Lease incentives

Incentives received to enter into a finance lease reduce the fair value of the asset and are included in the calculation of present value of minimum lease payments.

Incentives received to enter into an operating lease are credited to the profit and loss account, to reduce the lease expense, on a straight-line basis over the period of the lease.

Notes to the consolidated financial statements

For the year ended 30 January 2021

q. Cash and cash equivalents

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

r. Provisions and contingencies

Provisions

Provisions are recognised when the group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount of the obligation can be estimated reliably.

Where there are several similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations might be small.

In particular:

- restructuring provisions are recognised when the group has a detailed, formal plan for the restructuring and has raised a valid expectation in those affected by either starting to implement the plan or announcing its main features to those affected and therefore has a legal or constructive obligation to carry out the restructuring; and
- provision is not made for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as a finance cost.

Contingencies

Contingent liabilities are not recognised, except those acquired in a business combination. Contingent liabilities arise as a result of past events when (i) it is not probable that there will be an outflow of resources or that the amount cannot be reliably measured at the reporting date or (ii) when the existence will be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the group's control. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Contingent assets are not recognised. Contingent assets are disclosed in the financial statements when an inflow of economic benefits is probable.

s. Financial instruments

The group has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

i. Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances and investments in commercial paper, 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.

Notes to the consolidated financial statements
For the year ended 30 January 2021

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. 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.

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 those investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled; or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party; or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

ii. Financial liabilities

Basic financial liabilities, including trade and other payables, 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 receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts 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 payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments.

Notes to the consolidated financial statements
For the year ended 30 January 2021

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 they are included in a hedging arrangement.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled, or expired.

iii. Offsetting

Financial assets and liabilities are offset and 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.

t. Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

u. Distributions to equity holders

Dividends and other distributions to the group's shareholders are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the shareholders. These amounts are recognised in the statement of changes in equity.

v. Related party transactions

The group discloses transactions with related parties which are not wholly owned within the same group. Where appropriate, transactions of a similar nature are aggregated unless, in the opinion of the directors, separate disclosure is necessary to understand the effect of the transactions on the group financial statements.

4. Critical accounting judgements and estimation uncertainty

The group makes judgements, estimates and assumptions concerning the future and affect the accounting policies and the reported amounts of assets, liabilities, income and expenses.

Such estimates and assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Management discusses and reviews on an ongoing basis the development, selection and disclosure of critical accounting policies and estimates and the application of these policies and estimates.

Sales returns provisions

Provision is made for sales returns. Management is required to review all sales returns during a pre-agreed post balance sheet period as well as their original order dates. The original order dates indicate when sales were recognised. Based on these sales, a sales return provision is then calculated.

5. Capital management

The group's objectives when managing capital are to safeguard its ability to fund the growth plans of the business and be able to continue as a going concern while maximizing the return.

Management regularly reviews the adequacy of the group's capital.

Notes to the consolidated financial statements

For the year ended 30 January 2021

6. Revenue

	2021 £	2020 £
<i>Analysis of revenue by category:</i>		
Online sales	78,383,632	-
Wholesale	29,019	-
Other sales	4,964	-
Total	78,417,615	
<i>Analysis of revenue by geographical market:</i>		
United States of America	76,117,275	-
UK	1,608,183	-
Europe	692,157	-
Total	78,417,615	

See note 3f for the group's accounting policy on revenue recognition.

7. Operating profit

	Note	2021 £	2020 £
Operating profit is stated after charging/(crediting):			
Wages and salaries (incl. directors' fees – note 8)		903,916	-
Social security costs		124,334	-
Pension costs		(200,294)	-
Staff bonus		22,155	-
Total staff costs		850,111	
Depreciation expense	15	7,120	-
Loss on disposal of tangible assets	15	1,678	-
Research and development		64,948	-
Operating leases	10	7,520	-
Net foreign exchange losses	9	558,668	-
Fees payable to the company's auditor and associates for:			
- Audit of the parent company, its subsidiaries and the group's consolidated financial statements		59,950	-
- Tax compliance services		4,500	-
- Other services		2,800	-
Total amount payable to the company's auditor and associates		67,250	

8. Employees and directors

	2021	2020
<i>Number of employees (including directors):</i>		
Average	12	2
As at 30 January	24	2

Directors

The directors' emoluments for the year amounted to £159,000 (2020: £nil).

Highest paid director

The highest paid director's emoluments were £159,000 (2020: £nil).

Notes to the consolidated financial statements

For the year ended 30 January 2021

9. Net finance expenses

	2021 £	2020 £
a. Finance costs		
Net foreign exchange losses	(558,668)	-
Interest expense due to shareholder (note 14)	(82,518)	-
Bank interest expense	(7,449)	-
	(648,635)	-
b. Finance income		
Tax interest received	2,437	-
	2,437	-
c. Net finance expenses		
Net finance expenses	(646,198)	-

10. Operating leases

	2021	2020
Communal space rentals	7,520	-
	7,520	-

The group is occasionally renting a communal office space for staff meetings. Minimum rental period is two months while a notice period of three months must be given.

11. Income tax

	2021 £	2020 £
a. Tax expense included in profit or loss		
Current tax:		
- UK corporation tax on profits for the year	1,559,419	-
- Foreign corporation tax on profits for the year	231,208	-
	1,790,627	-
b. Reconciliation of tax charge		
Profit before tax	9,185,068	-
Profit multiplied by the standard rate of tax in the UK of 19% (2020: 19%)	1,527,052	-
Effects of:		
- Impact of overseas tax rate	231,208	-
- Disallowable expenses	5,239	-
- Depreciation on assets not qualifying for capital allowances	1,353	-
- Capital allowances in excess of depreciation	(6,533)	-
- Deferred tax recognised on permanent differences	3,446	-
- Utilisation of tax losses	(566)	-
- Underprovided tax in prior years	29,428	-
	1,790,627	-

Notes to the consolidated financial statements

For the year ended 30 January 2021

c. Tax rate changes

In the Spring Budget 2020, the UK government announced that from 1 April 2020 the corporation tax rate would remain at 19% (rather than reducing to 17%, as previously enacted). This new law was substantively enacted on 17 March 2020.

During the year, the group has not recognised any deferred tax asset (2020: £nil).

12. Group information

The group's reorganisation took place on 31 January 2020. The outcome of this restructuring would be for the holding company to hold all 100% shares in Homenative Holdings Limited (which owns 100% of shares in Homenative Limited), Yellapro Limited and Fullstar Houseware LLC.

The holding company acquired 10.71% of shareholding in Homenative Holdings Limited for £157,500. Remainder shareholding in Homenative Holdings Limited (89.29%) and 100% of shareholding in Yellapro were exchanged for 75% shareholding in the holding company. The 100% shareholding in Fullstar Houseware LLC was exchanged for 25% shareholding in the holding company.

Following completion of the restructuring, Homenative Holdings Limited, Yellapro Limited and Fullstar Houseware LLC became 100% subsidiaries of the holding company.

The restructuring and the allocation of the holding company's initial 100% equity between the shareholders was calculated based on historic evaluations carried out with respect to Homenative Holdings Limited (est. \$6,300,000), Yellapro Limited (est. \$1,050,000) and Fullstar Houseware LLC (est. \$1,391,500) dated 13 May 2019.

Entity name	Country of incorporation ¹	Principal activities	% equity interest	
			2021	2020
Homenative Holdings Limited	UK	Investment holding company	100	-
Homenative Limited ²	UK	Online retailer	100	-
Cani Investments Limited	UK	Online retailer	100	-
Yellapro Limited	UK	Online retailer	100	-
Fullstar Houseware LLC	USA	Online retailer	100	-
Buckthorn Online Limited	UK	Online retailer	100	-
Willow International Limited	UK	Online retailer	100	-

¹ The registered address of all UK companies is at The Old Chapel, Union Way, Witney OX28 6HD, England. The US company's registered address is at 8 The Green, Suite A, Dover 19901, Delaware, USA.

² Indirect 100% ownership through Homenative Holdings Limited.

All subsidiaries above are included in the consolidation.

13. Controlling parties

The immediate and ultimate parent company is AT Global Holdings Limited and is the largest group to consolidate these financial statements. Copies of AT Global Holdings Limited consolidated financial statements can be obtained at The Old Chapel, Union Way, Witney OX28 6HD, England.

The ultimate controlling party of the group is Mr. A. Thompson. He owns 75% of the holding company's ordinary shares.

After the year end the ultimate holding company changed to Branded E-Commerce Holding GmbH and its registered office is at Schinkelplatz 5, 10117 Berlin, Germany.

Notes to the consolidated financial statements For the year ended 30 January 2021

14. Related party disclosures

	2021 £	2020 £
Amounts owed by related parties:		
Entities under common control	2,500	-
Due from shareholders	15,905	-
	18,405	-
	2021 £	2020 £
Amounts owed to related parties:		
Entities under common control	-	-
Due to shareholders	-	-
	-	-

Amounts owed to/by related parties are unsecured, interest free, have no fixed repayment date and are repayable on demand except for the amount owed to a shareholder. The outstanding balance, acquired through the reorganisation, was fully repaid during the year. Interest payable for the year amounted to £82,518 (note 9).

15. Tangible assets

	Computer Equipment £	Furniture & fixtures £	Total £
Cost			
As at 31 January 2019	-	-	-
As at 30 January 2020	-	-	-
Acquired on group reorganisation	10,636	2,209	12,845
Additions	33,209	-	33,209
Disposals	(3,399)	(2,209)	(5,608)
As at 30 January 2021	40,446	-	40,446
Depreciation & impairment			
As at 31 January 2019	-	-	-
As at 30 January 2020	-	-	-
Acquired on group reorganisation	4,157	839	4,996
Depreciation charge for the year	6,863	257	7,120
Elimination on disposals	(2,834)	(1,096)	(3,930)
As at 30 January 2021	8,186	-	8,186
Net book value			
As at 30 January 2021	32,260	-	32,260
As at 30 January 2020	-	-	-

Notes to the consolidated financial statements For the year ended 30 January 2021

16. Intangible assets

	Trademarks £	Total £
Cost		
As at 31 January 2019	-	-
As at 30 January 2020	-	-
Additions	21,869	21,869
As at 30 January 2021	21,869	21,869
Amortisation & impairment		
As at 31 January 2019	-	-
As at 30 January 2020	-	-
Amortisation for the year	-	-
As at 30 January 2021	-	-
Net book value		
As at 30 January 2021	21,869	21,869
As at 30 January 2020	-	-

On 26 January 2021 and as part of the group's second stage reorganisation completed in February 2021 (note 31), the group acquired trademarks previously owned by a shareholder for a total consideration of \$30,000.

Amortisation of trademarks will commence in February 2021 in accordance with the relevant accounting policy.

17. Impairment review on tangible and intangible assets

The group's tangible and intangible assets are tested at least annually for impairment whenever there is such an indication.

During the current financial year and following an impairment review, management decided that there is no indication of impairment neither on tangible nor on intangible assets.

18. Inventories

	2021 £	2020 £
Goods ready for sale	7,555,525	-
Goods in transit	6,298,636	-
Freight	1,303,716	-
	15,157,877	-

Inventories are stated at cost after provisions for obsolete stock and stock returns.

19. Trade and other receivables

	2021 £	2020 £
Trade receivables	2,313,091	-
Deposits	1,813,759	-
Prepayments	130,796	-
VAT receivable	33,923	-
Other receivables	516,801	-
Amounts owed by related parties (note 14)	18,405	-
	4,826,775	-

Notes to the consolidated financial statements

For the year ended 30 January 2021

20. Loans receivable

Loans were granted to related parties for a total amount of \$2,000,000. In consideration for these loans, the related parties guarantee to pay on demand the guaranteed obligations as defined in the agreements. The loans bear interest at 2% per annum. The loans were fully repaid as part of the group's reorganisation completed in February 2021.

21. Trade and other payables

	2021 £	2020 £
Trade payables	8,769,974	-
Other payables	2,085,822	-
Accruals	1,565,181	-
Provisions	92,256	-
	12,513,233	-

22. Deferred tax

The provision of deferred tax consists of the following deferred tax liabilities:

	2021 £	2020 £
As at 31 January	-	-
Acquired tangible assets	3,446	-
As at 30 January	3,446	-

The deferred tax liability is expected to reverse in 3 years. This primarily relates to the reversal of timing differences on acquired tangible assets and capital allowances through depreciation.

23. Interest bearing borrowings

The group's financing facility consists of two revolving loans amounting to a total of \$2,000,000 payable to SellersFunding International Portfolio Ltd. The loans bear interest at 15% per annum plus extra 5% per annum in case loans are in default. The loans are secured with a negative pledge, fixed and floating charges against all assets of the contracted entities of the group. The loans were fully repaid as part of the group's reorganisation completed in February 2021.

24. Share capital and reserves

Ordinary shares of £0.0001 each

	2021 Number of shares	2020	2021 £	2020 £
Allotted and fully paid				
As at 31 January	10,001,250	-	1,000	-
Sub-division of shares during group's reorganisation (par value: £0.0001, 2020: par value: £1)	-	10,000,000	-	1,000
Issue of shares ¹	-	1,250	-	-
As at 30 January	10,001,250	10,001,250	1,000	1,000

¹ Shares valued at £0.125

Notes to the consolidated financial statements

For the year ended 30 January 2021

In December 2020, the company has issued equity shares in consideration for securing a holding of 100% of the nominal value of each class of equity in other companies. The company has claimed a merger relief. Merger relief has enabled the company not to recognise any share premium on shares issued. Instead, a merger reserve is created equal to the value of share premium which would have been recorded if the provisions of section 612 of the Companies Act 2006 had not been applicable. For more details on the group's reorganisation see note 12.

Each share is entitled to one vote in any circumstances, is entitled *pari passu* to dividend payments or any other distribution and entitled *pari passu* to participate in a distribution arising from a winding up of the company.

Dividends

During the year, the company has paid an interim dividend amounting to £57,098 (2020: £nil).

Reserves

Details of the movements in reserves are set out in the Consolidated Statements of Changes in Equity. A description of each reserve is set out below.

Merger reserve

Merger reserve represents the difference between the value of shares issued by the company in exchange for the value of shares acquired in respect of the acquisition of subsidiaries accounted for under the merger accounting method.

Foreign currency translation reserve

The foreign currency translation reserve is used to record the foreign exchange gains or losses arising when the financial statements of a parent company's foreign subsidiaries are being converted to its reporting currency.

25. Financial instruments

The group has the following financial instruments:

	Note	2021 £	2020 £
Financial assets measured at amortised cost			
- Trade receivables	19	2,313,091	-
- Other receivables	19	2,495,279	-
- Amounts owed by related parties	19	18,405	-
- Loans receivable	20	1,475,034	-
		6,301,809	-
Financial liabilities measured at amortised cost			
- Trade payables	21	8,769,974	-
- Other payables	21	3,743,259	-
- Interest bearing borrowings	23	1,463,732	-
		13,976,965	-

26. Notes to the statement of cash flows

	At 31 Jan 2020 £	Cash flows £	Acquired £	At 30 Jan 2021 £
Analysis of changes in net funds				
Cash at bank and in hand	1,000	399,773	1,815,361	2,216,134
Cash and cash equivalents	1,000	399,773	1,815,361	2,216,134
Loans receivable	-	1,472,871	-	1,472,871
Interest bearing borrowings	-	(1,463,732)	-	(1,463,732)
Net funds	1,000	408,912	1,815,361	2,225,273

Notes to the consolidated financial statements

For the year ended 30 January 2021

27. Contingent liabilities

During the year, the group did not have any contingent liabilities (2020: £nil).

28. Capital & other commitments

During the year, the group did not have any capital or other commitments (2020: £nil).

29. Related party transactions

Related party transactions are disclosed in note 14.

30. Financial risk management

The group's principal risk objective is to avoid financial loss and manage the group's working capital requirements to continue in operations.

Following management's review, the group does not consider there to be any significant exposure to credit, liquidity, or market risk.

Fair values

The fair values of all financial instruments are substantially identical to carrying amounts reflected in the statement of financial position.

31. Events after the end of the reporting period

On 1 February 2021, the group went through a second stage reorganisation whereby a newly incorporated UK registered company, ATV Global Limited, acquired AT Global Holdings Limited and all its subsidiaries (the 'ATG group'). It has also acquired a US based group of companies (the 'CNKV group'). This group consists of a US registered holding company, CNKV Holdings Inc, and its four wholly owned US subsidiaries.

To fund the restructuring, ATV Global Limited has successfully raised monies through equity and long-term finance. The sum of €50 million (£44.1 million) was secured through inception of a 4-year loan and \$25.2 million (£18.5 million) was contributed by its shareholders through issue of share capital.

Following the restructuring, the ultimate holding company of the group changed to Branded E-Commerce Holding GmbH and its registered office is at Schinkelplatz 5, 10117 Berlin, Germany.

Company balance sheet
As at 30 January 2021

	Notes	2021 £	2020 £
Non-current assets			
Tangible assets	1	14,122	-
Subsidiary undertakings	2	6,625,929	-
Total non-current assets		6,640,051	-
Current assets			
Inventories	3	46,933	-
Trade and other receivables	4	5,508,000	-
Loans receivable	5	1,471,070	-
Cash and cash equivalents		111,776	1,000
Total current assets		7,137,779	1,000
Current liabilities			
Trade and other payables	6	6,634,717	-
Corporation tax payable		136,185	-
Total current liabilities		6,770,902	-
Net assets		7,006,928	1,000
Capital and reserves			
Called-up share capital	7	1,000	1,000
Merger reserve	7	6,468,327	-
Retained earnings		537,601	-
Total equity		7,006,928	1,000

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

As permitted by s408 Companies Act 2006, the company's profit and loss account and related notes are not presented. The company's profit and loss for the year is £594,699 (2020: £nil).

The financial statements of AT Global Holdings Limited on pages 35 to 39 were approved by the Board of Directors on 25th October 2021 and signed on its behalf by:



A. Thompson
Director

Company statement of cash flows
For the year ended 30 January 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
Profit before tax		730,884	-
Adjustments for non-cash items:			
Depreciation of tangible assets	1	1,046	-
Working capital movements:			
Increase in trade and other receivables		(98,777)	-
Increase in inventories		(46,932)	-
Increase in trade and other payables		960,595	-
Net cash flows from operating activities		1,546,816	-
Cash flows from investing activities			
Purchases of tangible assets		(15,168)	-
Dividends paid		(57,098)	-
Purchase of subsidiaries		(157,602)	-
Net cash flows used in investing activities		(229,868)	-
Cash flows from financing activities			
Proceeds from issue of shares		-	1,000
Amounts paid to related parties		(1,206,172)	-
Net cash flows (used in)/from financing activities		(1,206,172)	1,000
Net increase in cash and cash equivalents		110,776	1,000
Cash at cash equivalents at the beginning of the year		1,000	-
Cash and cash equivalents at the end of the year		111,776	1,000

Notes to the company financial statements
For the year ended 30 January 2021

1. Tangible assets

	Computer Equipment £
Cost	
As at 31 January 2019	-
Additions	-
As at 30 January 2020	-
Additions	15,168
As at 30 January 2021	15,168
Depreciation & impairment	
As at 31 January 2019	-
Depreciation charge for the year	-
As at 30 January 2020	-
Depreciation charge for the year	1,046
As at 30 January 2021	1,046
Net book value	
As at 30 January 2021	14,122
As at 30 January 2020	-

2. Investments in subsidiary undertakings

	2021 £	2020 £
Cost		
As at 30 January	-	-
Additions	6,625,929	-
	6,625,929	-

The company had the following investments:

Entity name	Country of incorporation ¹	Principal activities	% equity interest	
			2021	2020
Homenative Holdings Limited	UK	Investment holding company	100	-
Homenative Limited ²	UK	Online retailer	100	-
Cani Investments Limited	UK	Online retailer	100	-
Yellapro Limited	UK	Online retailer	100	-
Fullstar Houseware LLC	USA	Online retailer	100	-
Buckthorn Online Limited	UK	Online retailer	100	-
Willow International Limited	UK	Online retailer	100	-

¹ The registered address of all UK companies is at The Old Chapel, Union Way, OX28 6HD Witney, England. The US company's registered address is at 8 The Green, Suite A, Dover 19901, Delaware, USA.

² Indirect 100% ownership through Homenative Holdings Limited.

Notes to the company financial statements
For the year ended 30 January 2021

3. Inventories

	2021 £	2020 £
Freight	46,933	-
	46,933	-

Inventories are stated at cost after provisions for obsolete stock and stock returns.

4. Trade and other receivables

	2021 £	2020 £
Prepayments	96,976	-
Other receivables	1,802	-
Amounts owed by related parties (note 8)	5,409,222	-
	5,508,000	-

5. Loans receivable

Loans were granted to related parties for a total amount of \$2,000,000. In consideration for these loans, the related parties guarantee to pay on demand the guaranteed obligations as defined in the agreements. The loans bear interest at 4% per annum above the base rate of Bank of England. The loans were fully repaid as part of the group's reorganisation completed in February 2021.

6. Trade and other payables

	2021 £	2020 £
Trade payables	355,590	-
Accruals	165,567	-
Other payables	51,108	-
VAT payable	388,331	-
Amounts owed to related parties (note 8)	5,674,121	-
	6,634,717	-

7. Share capital and reserves

Ordinary shares of £0.0001 each

	2021 Number of shares	2020	2021 £	2020 £
Allotted and fully paid				
As at 31 January	10,001,250	-	1,000	-
Sub-division of shares during group's reorganisation (par value: £0.0001, 2020: par value: £1)	-	10,000,000	-	1,000
Issue of shares ¹	-	1,250	-	-
As at 30 January	10,001,250	10,001,250	1,000	1,000

In December 2020, the company has issued equity shares in consideration for securing a holding of 100% of the nominal value of each class of equity in other companies. The company has claimed a merger relief. Merger relief has enabled the company not to recognise any share premium on shares issued. Instead, a merger reserve is created equal to the value of share premium which would have been recorded if the provisions of section 612 of the Companies Act 2006 had not been applicable. For more details on the group's reorganisation see note 12 of the consolidated financial statements.

Notes to the company financial statements

For the year ended 30 January 2021

Dividends

During the year, the company has paid an interim dividend amounting to £57,098 (2020: £nil).

Reserves

Merger reserve

Merger reserve represents the difference between the value of shares issued by the company in exchange for the value of shares acquired in respect of the acquisition of subsidiaries accounted for under the merger accounting method.

	2021 £	2020 £
As at 31 January	-	-
Share-for-share exchanges from reorganisation	6,468,327	-
As at 31 January	6,468,327	-

8. Related party disclosures

	2021 £	2020 £
Amounts owed by related parties:		
Entities under common control	2,500	-
Subsidiary undertakings	5,406,722	-
	5,409,222	-
Amounts owed to related parties:		
Subsidiary undertakings	5,674,121	-
	5,674,121	-