

**TAILS LIMITED**

**UNAUDITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2018**



**TAILS LIMITED**  
**REGISTERED NUMBER: 01507693**

**BALANCE SHEET**  
**AS AT 31 MARCH 2018**

	Note		2018 £	2017 £
<b>Fixed assets</b>				
Intangible assets			155,831	181,113
Tangible assets			16,047	35,480
<b>Current assets</b>				
Stocks	5	134,816	138,203	
Debtors	6	15,390	64,716	
Cash at bank and in hand	7	110,112	-	
		<u>260,318</u>	<u>202,919</u>	
Creditors: amounts falling due within one year	8	(175,667)	(108,639)	
<b>Net current assets</b>			84,651	94,280
<b>Total assets less current liabilities</b>			<u>256,529</u>	<u>310,873</u>
Creditors: amounts falling due after more than one year	9		(593,017)	(652,119)
<b>Net liabilities</b>			<u>(336,488)</u>	<u>(341,246)</u>
<b>Capital and reserves</b>				
Called up share capital	10		22,425	21,300
Share premium account			457,325	456,200
Profit and loss account			(816,238)	(818,746)
			<u>(336,488)</u>	<u>(341,246)</u>

**TAILS LIMITED**  
**REGISTERED NUMBER: 01507693**

**BALANCE SHEET (CONTINUED)**  
**AS AT 31 MARCH 2018**

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

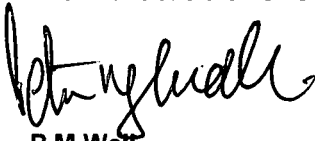
The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The Company has opted not to file the profit and loss account in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



**P M Wall**  
Director

Date: 28 November 2018

The notes on pages 3 to 9 form part of these financial statements.

## **TAILS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018**

#### **1. Accounting policies**

##### **1.1 Basis of preparation of financial statements**

Tails Limited (the company) is a limited liability company incorporated and domiciled in the United Kingdom. The address of its registered office is shown on the company information page.

The financial statements are prepared in Sterling (£) which is the functional currency of the company. The financial statements are for the year ended 31 March 2018 (2017: year ended 31 March 2017).

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

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

##### **1.2 Foreign currency translation**

###### **Functional and presentation currency**

The Company's functional and presentational currency is GBP.

###### **Transactions and balances**

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

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

##### **1.3 Turnover**

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

###### **Sale of goods**

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

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

## **TAILS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018**

#### **1. Accounting policies (continued)**

##### **1.4 Operating leases: the Company as lessee**

Rentals paid under operating leases are charged to the Profit and Loss account on a straight line basis over the lease term.

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

The Company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 April 2016 to continue to be charged over the period to the first market rent review rather than the term of the lease.

##### **1.5 Finance costs**

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

##### **1.6 Borrowing costs**

All borrowing costs are recognised in the Profit and Loss account in the year in which they are incurred.

##### **1.7 Pensions**

###### **Defined contribution pension plan**

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

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

##### **1.8 Taxation**

Tax is recognised in the Profit and Loss account, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

##### **1.9 Research and development**

Research expenditure is written off as incurred. Development expenditure is also written off, except where the directors are satisfied as to the technical, commercial and financial viability of individual projects. In such cases, the identifiable expenditure is capitalised as an intangible asset and amortised over the period during which the company is expected to benefit. This period is between three and 10 years. Provision is made for any impairment.

## TAILS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

#### 1. Accounting policies (continued)

##### 1.10 Intangible assets

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

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

##### 1.11 Tangible fixed assets

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

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

Depreciation is provided on the following basis:

Plant & machinery	- 10% straight line
Office equipment	- 33% straight line
Other fixed assets	- 33% straight line

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Profit and Loss account.

##### 1.12 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis. Work in progress and finished goods include labour and attributable overheads.

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

##### 1.13 Cash and cash equivalents

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

#### 2. Employees

The average monthly number of employees, including directors, during the year was 3 (2017 - 3).

TAILS LIMITED

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

3. Intangible assets

	Trademarks £	Development £	Total £
<b>Cost</b>			
At 1 April 2017	26,849	377,624	404,473
Additions	16,849	-	16,849
At 31 March 2018	43,698	377,624	421,322
<b>Amortisation</b>			
At 1 April 2017	15,931	207,428	223,359
Charge for the year	4,370	37,762	42,132
At 31 March 2018	20,301	245,190	265,491
<b>Net book value</b>			
At 31 March 2018	23,397	132,434	155,831
At 31 March 2017	10,918	170,196	181,114

**TAILS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

**4. Tangible fixed assets**

	Plant & machinery £	Office equipment £	Web site development £	Total £
<b>Cost or valuation</b>				
At 1 April 2017	45,459	8,364	11,800	65,623
Additions	-	425	4,500	4,925
Disposals	(35,479)	-	-	(35,479)
At 31 March 2018	9,980	8,789	16,300	35,069
<b>Depreciation</b>				
At 1 April 2017	23,514	6,628	-	30,142
Charge for the year on owned assets	4,420	1,162	5,433	11,015
Disposals	(22,135)	-	-	(22,135)
At 31 March 2018	5,799	7,790	5,433	19,022
<b>Net book value</b>				
At 31 March 2018	4,181	999	10,867	16,047
At 31 March 2017	21,945	1,736	11,800	35,481

**5. Stocks**

	2018 £	2017 £
Finished goods and goods for resale	134,816	138,203

**6. Debtors**

	2018 £	2017 £
Trade debtors	705	14,942
Other debtors	14,685	49,774
	15,390	64,716



**TAILS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

**7. Cash and cash equivalents**

	<b>2018</b>	<b>2017</b>
	£	£
Cash at bank and in hand	110,112	-
Less: bank overdrafts	-	(22,668)
	<u>110,112</u>	<u>(22,668)</u>

**8. Creditors: Amounts falling due within one year**

	<b>2018</b>	<b>2017</b>
	£	£
Bank overdrafts	-	22,668
Trade creditors	95,629	77,969
Other taxation and social security	9,276	1,085
Other creditors	9,429	1,777
Accruals and deferred income	61,333	5,140
	<u>175,667</u>	<u>108,639</u>

# TAILS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

### 9. Creditors: Amounts falling due after more than one year

	2018 £	2017 £
Amounts owed to connected companies	70,000	70,000
Other creditors	523,017	582,119
	<u>593,017</u>	<u>652,119</u>

The amount owed to the connected companies relates to a loan from W G Eaton Limited, a company which P M Wall is a director and whose family has a controlling interest. By agreement dated 1 May 2012 W G Eaton Limited agreed that the earliest repayment date of the original loan of £55,000 would be 1 May 2017 or the date of Tails Limited obtaining a listing or a sale of the entire share capital.

Included within other creditors are the following amounts due to directors;

N J M Wall - £201,164 (2017: £258,767)  
P M Wall - £7,931 (2017: £7,931)

Also included within other creditors are the following;

a) £50,921 (2017: £50,921) due to MAS, this becomes due when specific conditions relating to profits and cashflow are satisfied.

b) £260,000 (2017: £260,000) relating to advances from Lucas Bols BV received on 6 June 2014 and 5 February 2016. On 1 April 2018 £140,822 was repaid in respect of this loan. On 1 April 2019 the balance of £119,178 will be paid together with the accrued interest of £21,644

### 10. Share capital

	2018 £	2017 £
<b>Allotted, called up and fully paid</b>		
22,425 (2017 - 21,300) Ordinary shares of £1.00 each	<u>22,425</u>	<u>21,300</u>

On 23 February 2018 1,125 Ordinary £1 shares were issued at a value of £2 per share.

### 11. Pension commitments

The company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the company to the fund and amounted to £284 (2017: £nil). Contributions totalling £57 (2017: £nil) were payable to the fund at the balance sheet date and are included in other creditors.