

Registration number: 05369871

TROLLBEADS UK LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD FROM 1 JANUARY 2017 TO 30 APRIL 2017



TROLLBEADS UK LIMITED

CONTENTS

Company Information	1
Director's Report	2
Statement of Director's Responsibilities	3
Independent Auditor's Report	4 to 5
Profit and Loss Account	6
Balance Sheet	7
Statement of Changes in Equity	8
Notes to the Financial Statements	9 to 15

TROLLBEADS UK LIMITED

COMPANY INFORMATION

Director	Ms P Aujla
Registered office	40 Bowling Green Lane London EC1R 0NE
Auditors	Hazlewoods LLP Chartered Accountants Windsor House Bayshill Road Cheltenham GL50 3AT

TROLLBEADS UK LIMITED

DIRECTOR'S REPORT FOR THE PERIOD FROM 1 JANUARY 2017 TO 30 APRIL 2017

The report and the financial statements for the period from 1 January 2017 to 30 April 2017.

Directors of the company

The directors who held office during the period were as follows:

Mr R J Morfoot (resigned 13 February 2017)

Mr P Aagard (resigned 30 April 2017)

Ms P Auja

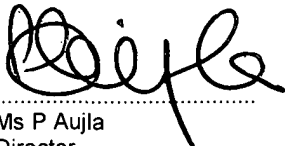
Disclosure of information to the auditors

The director has taken the steps that ought to have taken as a director in order to make aware of any relevant audit information and to establish that the company's auditors are aware of that information. The director confirms that there is no relevant information that of and of which the auditors are unaware.

Small companies provision statement

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the Board on 20 September 2017 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'Auja', written over a dotted line.

Ms P Auja
Director

TROLLBEADS UK LIMITED

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

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

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

TROLLBEADS UK LIMITED

INDEPENDENT AUDITOR'S REPORT

We have audited the financial statements of Trollbeads UK Limited for the period from 1 January 2017 to 30 April 2017, set out on pages 6 to 15. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 Section 1A 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Director's Responsibilities (set out on page 3), the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors to the financial statements.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 April 2017 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to smaller entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Emphasis of matter

In forming our opinion on the financial statements, we have considered the adequacy of the forecasts prepared by the Director.

The Director has prepared forecasts that suggest that there are sufficient facilities available to meet the Company's short-term funding requirements. The forecast assume a significant growth in revenue for the current financial year. We are unable to assess whether this growth will occur and this indicates the existence of a material uncertainty, which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include any adjustments that would result if the company were unable to continue as a going concern.

TROLLBEADS UK LIMITED
INDEPENDENT AUDITOR'S REPORT

Opinion on other matter prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.


.....

Scott Lawrence (Senior Statutory Auditor) For and on behalf of Hazlewoods LLP,

Windsor House
Bayshill Road
Cheltenham
GL50 3AT

Date: 13/12/13

TROLLBEADS UK LIMITED

PROFIT AND LOSS ACCOUNT FOR THE PERIOD FROM 1 JANUARY 2017 TO 30 APRIL 2017

		1 January 2017 to 30 April 2017 £	Year ended 31 December 2016 £
	Note		
Turnover		373,224	2,250,419
Cost of sales		<u>(162,751)</u>	<u>(1,394,110)</u>
Gross profit		210,473	856,309
Administrative expenses		<u>(572,314)</u>	<u>(2,280,427)</u>
Operating loss		(361,841)	(1,424,118)
Other interest receivable and similar income		1	11
Related party balance written off		<u>1,572,215</u>	<u>-</u>
Profit/(loss) before tax	4	1,210,375	(1,424,107)
Taxation	5	<u>-</u>	<u>(6,881)</u>
Profit/(loss) for the financial period		<u><u>1,210,375</u></u>	<u><u>(1,430,988)</u></u>

The above results were derived from continuing operations.

The company has no other comprehensive income for the year.

The notes on pages 9 to 15 form an integral part of these financial statements.

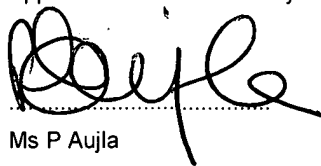
TROLLBEADS UK LIMITED

**(REGISTRATION NUMBER: 05369871)
BALANCE SHEET AS AT 30 APRIL 2017**

	Note	30 April 2017 £	31 December 2016 £
Fixed assets			
Tangible assets	6	124,919	208,248
Current assets			
Stocks	7	253,050	581,488
Debtors	8	335,290	634,810
Cash at bank and in hand		315,874	525,534
		<u>904,214</u>	<u>1,741,832</u>
Creditors: Amounts falling due within one year	9	<u>(295,397)</u>	<u>(2,922,536)</u>
Net current assets/(liabilities)		<u>608,817</u>	<u>(1,180,704)</u>
Total assets less current liabilities		733,736	(972,456)
Creditors: Amounts falling due after more than one year	9	(495,817)	-
Deferred tax liabilities	5	<u>(4,534)</u>	<u>(4,534)</u>
Net assets/(liabilities)		<u>233,385</u>	<u>(976,990)</u>
Capital and reserves			
Called up share capital		1,000	1,000
Profit and loss account		<u>232,385</u>	<u>(977,990)</u>
Total equity		<u>233,385</u>	<u>(976,990)</u>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with FRS 102 Section 1A Small Entities.

Approved and authorised by the director on 20 September 2017



Ms P Aujla
Director

The notes on pages 9 to 15 form an integral part of these financial statements.

TROLLBEADS UK LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD FROM 1 JANUARY 2017 TO 30 APRIL 2017

	Share capital £	Profit and loss account £	Total £
At 1 January 2017	1,000	(977,990)	(976,990)
Profit for the period	-	1,210,375	1,210,375
At 30 April 2017	<u>1,000</u>	<u>232,385</u>	<u>233,385</u>

	Share capital £	Profit and loss account £	Total £
At 1 January 2016	1,000	452,998	453,998
Loss for the period	-	(1,430,988)	(1,430,988)
At 31 December 2016	<u>1,000</u>	<u>(977,990)</u>	<u>(976,990)</u>

The notes on pages 9 to 15 form an integral part of these financial statements.

TROLLBEADS UK LIMITED

1 General information

The company is a private company limited by share capital incorporated in England and Wales.

The address of its registered office is:
40 Bowling Green Lane
London
EC1R 0NE
England

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

These financial statements were prepared in accordance with the Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' effective January 2016 and has taken advantage of the small company exemptions available in section 1A of FRS 102 to produce reduced disclosure accounts.

Basis of preparation

These financial statements have been prepared using the historical cost convention except for, where disclosed in these accounting policies, certain items that are shown at fair value.

The presentational currency of the financial statements is Pounds Sterling, being the functional currency of the primary economic environment in which the company operates. Monetary amounts in these financial statements are rounded to the nearest Pound.

Summary of disclosure exemptions

Trollbeads UK Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its financial statements. Exemptions have been taken in relation to presentation of a statement of cash flows and key management personnel compensation.

Name of parent of group

These financial statements are to be consolidated in the financial statements of Trollbeads A/S at 31 December 2017. The financial statements of Trollbeads A/S may be obtained from the company's registered office.

Going concern

The financial statements have been prepared on a going concern basis, which assumes that the company will continue trading for the foreseeable future. For the period ended 30 April 2017 the company made a profit before taxation of £1,214,909 (year ended 31 December 2016: loss before taxation of £1,424,107) and at 30 April 2017 had net assets of £237,919 (year ended 31 December 2016: net liabilities £976,990).

Using the latest forecasts and going concern assessment for the company, the director is satisfied that the company has sufficient facilities to continue to meet its liabilities as they fall due. On this basis the director considers it appropriate to prepare the accounts on a going concern basis.

TROLLBEADS UK LIMITED

Judgements and estimation uncertainty

The Directors are required to make various judgements and estimates in respect of: the fair value of stock held; the recoverability of trade debtors; the existence of equipment held at retailers and the recognition of the deferred tax asset.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the company.

The company recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the initial transaction dates. Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

Tax

The tax expense for the period comprises and deferred tax. Tax is recognised in the profit and loss account, except that a charge attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Furniture	20% straight line
Office equipment	20% - 33% straight line
Computers	33% straight line

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. All trade debtors are repayable within one year and hence are included at the undiscounted cost of cash expected to be received. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the debtors.

TROLLBEADS UK LIMITED

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are 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.

Trade creditors

Trade creditors 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 the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and all are repayable within one year and hence are included at the undiscounted amount of cash expected to be paid.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Financial instruments

Classification

Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability on the balance sheet. The corresponding dividends relating to the liability component are charged as interest expenses in the profit and loss account.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Impairment

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

TROLLBEADS UK LIMITED

3 Staff numbers

The average number of persons employed by the company (including the director) during the period, analysed by category was as follows:

	1 January 2017 to 30 April 2017 No.	Year ended 31 December 2016 No.
Average number of employees	<u>11</u>	<u>21</u>

4 Profit before tax

Arrived at after charging:

	1 January 2017 to 30 April 2017 £	Year ended 31 December 2016 £
Depreciation expense	51,958	177,615
Auditor's remuneration - The audit of the company's accounts	8,600	10,025
Foreign currency (gains)/losses	(1,803)	302,925
Loss on disposal of tangible fixed assets	<u>39,677</u>	<u>6,612</u>

5 Taxation

Tax charged in the profit and loss account

	1 January 2017 to 30 April 2017 £	Year ended 31 December 2016 £
Current taxation		
UK corporation tax	<u>-</u>	<u>6,881</u>

Deferred tax

Tax losses carried forward of £2,679,122 (2016 - £2,389,748) have not been recognised as a deferred tax asset as the losses are not expected to reverse in the foreseeable future.

TROLLBEADS UK LIMITED

6 Tangible assets

	Furniture, fittings and equipment £	Other property, plant and equipment £	Total £
Cost			
At 1 January 2017	503,879	39,514	543,393
Additions	7,911	395	8,306
Disposals	(82,797)	(9,585)	(92,382)
At 30 April 2017	<u>428,993</u>	<u>30,324</u>	<u>459,317</u>
Depreciation			
At 1 January 2017	308,479	26,667	335,146
Charge for the year	48,090	3,868	51,958
Eliminated on disposal	(43,793)	(8,913)	(52,706)
At 30 April 2017	<u>312,776</u>	<u>21,622</u>	<u>334,398</u>
Carrying amount			
At 30 April 2017	<u>116,217</u>	<u>8,702</u>	<u>124,919</u>
At 31 December 2016	<u>195,401</u>	<u>12,847</u>	<u>208,248</u>

7 Stocks

	30 April 2017 £	31 December 2016 £
Finished goods and goods for resale	<u>253,050</u>	<u>581,488</u>

8 Debtors

	30 April 2017 £	31 December 2016 £
Trade debtors	182,943	577,737
Other debtors	132,409	1,938
Prepayments	<u>19,938</u>	<u>55,135</u>
Total current trade and other debtors	<u>335,290</u>	<u>634,810</u>

TROLLBEADS UK LIMITED

9 Creditors

	30 April 2017 £	31 December 2016 £
Due within one year		
Trade creditors	26,211	57,092
Amounts due to related parties	-	2,580,823
Social security and other taxes	13,880	63,610
Other creditors	229,703	429
Accrued expenses	25,603	220,582
	<u>295,397</u>	<u>2,922,536</u>
Due after one year		
Director's loan account	37,000	-
Other creditors	458,817	-
	<u>495,817</u>	<u>-</u>

10 Share capital

Allotted, called up and fully paid shares

	30 April 2017 No.	£	31 December 2016 No.	£
A Ordinary Shares of £1 each	667	667	667	667
B Ordinary Shares of £1 each	333	333	333	333
	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

11 Financial commitments, guarantees and contingencies

The total amount of financial commitments not included in the balance sheet is £35,687 (2016 - £58,930).

12 Related party transactions

During the period the company made the following related party transactions:

Avla Limited

Director related party to Trollbeads shareholder.

During the period rent of £1,050 (2016 - £12,600) and removal fees of £2,352 (2016 - £5,180) were paid to Avla Limited. At balance sheet date the amount due to Avla Limited was £nil (2016 - £nil).

Directors loan account

At the year end a sum of £37,000 (2016 - £nil) was owed to the Director.

The company has taken advantage of the exemption in FRS 102 "Related Party Disclosures" from disclosing transactions with other members of the group.

TROLLBEADS UK LIMITED

13 Parent and ultimate parent undertaking

The company's immediate and ultimate parent was Trollbeads A/S, incorporated in Denmark.

Trollbeads A/S's registered address is:

Toldbodgade 13
DK-1253 København K
Copenhagen

On 30 April 2017 the entire share capital of the company was sold to the Director at the nominal value of £1 per share. The company has since been controlled by the shareholding Director.