

Financial Statements Threadless Closures Limited

For the year ended 31 December 2018

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COMPANIES HOUSE

Company No. 06847641

Company information

Company registration number	06847641
Registered office	5 Fleet Place LONDON EC4 7RD
Directors	Anthony Fraser Stefan Pijanowski David Martin Bruce Powell
Secretary	Halco Secretaries Ltd
Accountants	Grant Thornton UK LLP

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Report of the directors

The directors present their report and the financial statements of the company for the year ended 31 December 2018.

Principal activities

The principal activity is the development and licensing of packaging technology for consumer markets.

Directors

The directors who served the company during the year were as follows:

Anthony Fraser
Stefan Pijanowski
David Martin
Bruce Powell

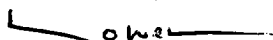
Share Capital

On 21 September 2018, the Company completed a Rights Issue which raised £543,943 in Cash by the issue of 3,626,287 Ordinary Shares of 10p at a price of 15p per share.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

BY ORDER OF THE BOARD



BLH Powell
Director

13 September 2019

Principal accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The principal accounting policies of the company are set out below.

Going Concern

The directors have prepared these accounts on a going concern basis, which assumes the company will continue to be able to meet its liabilities as they fall due for at least 12 months from the date of approval of these financial statements. The company is loss making and will be reliant on funding from new and existing shareholders until such time as it can generate revenues from exploitation of its product technology sufficient to cover its costs. Having made appropriate enquires, the directors are satisfied that the going concern basis of preparation is appropriate. During the year the Board raised £543,943 by the issue of 3,626,287 Ordinary Shares of 10p at a price of 15p per share.

Turnover

Turnover is the total receivable by the company for goods supplied and services provided excluding VAT and trade discounts.

Turnover is recognised once the risks and rewards of ownership have been transferred to the customer. This usually coincides with acceptance of the goods and services by the customer.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost, net of depreciation. Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets other than freehold land by equal annual instalments over their expected useful lives. The rates generally applicable are:

Office equipment	-	25%
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Stocks

Stocks and work in progress are stated at the lower of cost and net realisable value.

Deferred taxation

Deferred tax is recognised on all timing differences where transactions or events that give the company an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured using rates of tax that have been enacted or substantively enacted by the balance sheet date.

Research and development

Research and development expenditure is written off in the period to which it relates.

Principal accounting policies

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Profit and loss account

	Note	2018 £	2017 £
Turnover		-	-
Cost of sales		-	-
Gross profit		-	-
Expenses			
Other operating charges	1	(299,952)	(195,634)
Interest receivable	2	180	3
Interest payable	2	-	-
Loss on ordinary activities before taxation	2	(299,772)	(195,631)
Tax on loss on ordinary activities	4	25,000	12,500
Loss on ordinary activities after taxation transferred from reserves	9	(274,772)	(183,131)

The accompanying accounting policies and notes form part of these financial statements.

Balance Sheet

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	5	-	-
Current assets			
Debtors	6	40,363	15,532
Cash		306,330	341
		<u>346,693</u>	<u>15,873</u>
Creditors: amounts falling due within one year	7	<u>(101,236)</u>	<u>(39,589)</u>
Net current assets		<u>245,457</u>	<u>(23,716)</u>
Creditors: amounts falling due after one year		-	-
Total assets less total liabilities		<u>245,457</u>	<u>(23,716)</u>
Capital and reserves			
Called up share capital		2,254,630	1,892,001
Share premium	9	181,314	
Profit and loss account	9	(2,190,487)	(1,915,715)
Shareholders' funds		<u>245,457</u>	<u>(23,716)</u>

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the period by virtue of section 477(2), and that no member or members have requested an audit pursuant to section 476(1) of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with section 386 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its profit or loss for the financial period in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

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These financial statements were approved by the directors and authorised for issue on 13 September 2019 and are signed on their behalf by:

B L H Powell
 Director



A H J Fraser
 Director



Company registration number: 06847641

The accompanying accounting policies and notes form part of these financial statements.

Notes to the financial statements

1 Other operating charges

	2018 £	2017 £
Administrative expenses	<u>299,952</u>	<u>195,634</u>

2 Loss on ordinary activities before taxation

The loss on ordinary activities is stated after charging:

	2018 £	2017 £
Depreciation of owned fixed assets	-	-
Bank interest receivable	<u>180</u>	<u>3</u>

3 Directors

The directors received total remuneration in the year of **£21,000** (2017: £nil).

4 Tax on loss on ordinary activities

	2018 £	2017 £
Tax credit, based on UK Corporation tax at 19% (P/Y 20%)	<u>25,000</u>	<u>12,500</u>

Unrelieved tax losses of **£1,833,000** (2017: £1,675,000) remain available to offset against future taxable trading profits. No deferred tax asset has been recognised in respect of these losses due to the uncertainty as to the availability of future taxation trading profits from which such losses could be deducted.

5 Tangible fixed assets

	Computer equipment 2018 £	Computer equipment 2017 £
Cost		
At beginning of period	5,765	5,765
Additions	-	-
At 31 December	<u>5,765</u>	<u>5,765</u>
Depreciation		
At beginning of period	5,765	5,765
Charge for the year	-	-
At 31 December	<u>5,765</u>	<u>5,765</u>
Net book value		
At 31 December	<u>-</u>	<u>-</u>

6 Debtors

	2018 £	2017 £
Trade debtors	-	-
Other debtors	40,363	15,532
	<u>40,363</u>	<u>15,532</u>

Other debtors include tax recoverable **£37,500** (2017: £12,500)

7 Creditors: amounts falling due within one year

	2018 £	2017 £
Short term loan from AHJ Fraser	-	1,000
Trade creditors	59,173	21,089
Other taxation and social security	2,625	-
Other creditors and accruals	39,438	17,500
	<u>101,236</u>	<u>106,094</u>

8 Share capital

Authorised share capital:

	2018 £	2017 £
Ordinary shares of 10p each	<u>2,500,000</u>	<u>2,500,000</u>

Allotted, called up and fully paid:

	2018 £	2017 £
Ordinary shares of 10p each at 1 January	1,892,001	1,646,225
Ordinary shares of 10p each issued during the year	362,629	245,776
Ordinary shares of 10p at 31 December	<u>2,254,630</u>	<u>1,892,001</u>

During the year the Company issued 3,626,287 ordinary shares of 10p each at a price of 15p per share.

There are also **790,000** (2017: 790,000) options outstanding over ordinary shares of 10p each at an exercise price of 10p per share.

9 Reserves

	Profit and loss account 2018 £	Profit and loss account 2017 £
At beginning of period	(1,915,715)	(1,732,584)
Loss for the year	(274,771)	(183,131)
At 31 December	<u>(2,190,487)</u>	<u>(1,915,715)</u>

During the year the company issued 3,636,287 ordinary shares of 10p each at a price of 15p per share giving rise to **£181,314** of Share Premium (2017: Nil).