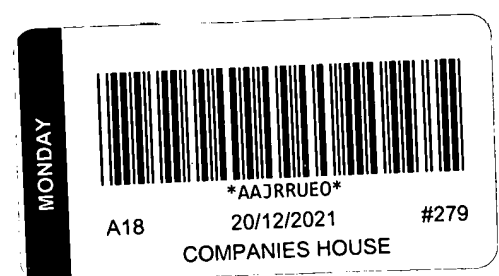


**PIZZA HUT HSR ADVERTISING LIMITED**

**Financial Statements**  
**Registered number 00894474**  
**31 December 2020**



**PIZZA HUT HSR ADVERTISING LIMITED**  
**Financial Statements**  
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***PIZZA HUT HSR ADVERTISING LIMITED***  
***Financial Statements***  
***Year Ended 31 December 2020***

**Officers and professional advisors**

**The board of directors**                      Mr NAD Manhas  
   Mrs RH Borda Heiniger  
   Mrs B D'Cruz – resigned on 31<sup>st</sup> March 2020

**Registered office**                              Building 2  
   Abbey View  
   Everard Close  
   St Albans  
   Herts  
   AL1 2QU

**Auditor**    KPMG LLP  
   Chartered Accountants & Statutory Auditor  
   15 Canada Square  
   London  
   E14 5GL

**Banker**    Barclays Bank PLC  
   Bedford Square  
   Leicestershire  
   Leicester  
   LE87 2BB

**PIZZA HUT HSR ADVERTISING LIMITED**  
**Financial Statements**  
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## **Directors' report**

The directors present their report and financial statements of the Company for the year ended 31 December 2020.

### **Principal activities**

The Company will continue to operate as a co-operative marketing fund for the UK Pizza Hut stores. The revenue of the Company is derived from contributions by these stores, and it is used to fund the promotion of the brand in the United Kingdom.

### **Results**

The company generated a loss on ordinary activities after tax of £20,227 (2019; £319,673). This improvement in performance in 2020 was as a direct result of the impacts of COVID-19 on the delivery business, with consumers opting to make use of food delivery options rather than leaving their homes. Net liabilities amounted to £2,635,209 (2019; £2,614,982).

On 31 January 2020, the United Kingdom left the European Union. The directors do not consider that this will have a major impact on the company as there has been considerable work performed in this area to mitigate against potential exposure. This is an ongoing focus for the company and the directors are confident that there are sufficient procedures in place to ensure early detection and resolution should issues arise.

### **Proposed dividend**

The directors do not recommend the payment of a dividend.

### **Directors**

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

Mr NAD Manhas  
Mrs RH Borda Heiniger  
Mrs B D'Cruz – resigned on 31<sup>st</sup> March 2020

### **Going Concern**

Notwithstanding net current liabilities of £2,635,925 as at 31 December 2020 and a loss for the year then ended of £20,227, the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

In addition to the draft breakeven financial position in 2021, the directors have prepared cash requirements forecast for at least 12 months from the date of signing of these accounts. Even taking account of reasonably possible downsides including the impact of the global crisis resulting from the spread of coronavirus (COVID-19), this forecast indicates that the company will have sufficient funds, through funding from its parent Yum! III (UK) Limited, to meet its liabilities as they fall due for that period.

In addition, the directors note that Yum! III (UK) Limited confirms its intention to continue to provide further financial and other support to Pizza Hut HSR Advertising Ltd for at least the next twelve months from the date of approval of the financial statements to enable it to meet its liabilities as they fall due. This support includes not requiring repayment of material amounts that could prevent Pizza Hut HSR Advertising Limited from satisfying its obligations and debt service requirements.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its obligations as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

**PIZZA HUT HSR ADVERTISING LIMITED**  
**Financial Statements**  
**Year Ended 31 December 2020**

**Going Concern (cont.)**

As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue, although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

**Employees**

The company does not employ any employees. However, there is a service arrangement with the parent company Yum! III (UK) Limited to provide services to manage the fund. No salaries or wages have been paid by the company to employees, including the directors, during the period.

**Political contributions**

Neither the Company nor any of its subsidiaries made any political donations or incurred any political expenditure during the year.

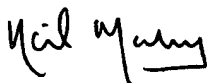
**Disclosure of information to auditor**

The director who held office at the date of approval of this director's report confirm that, so far as he is aware, there is no relevant audit information of which the company's auditor is unaware; and the director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

**Auditor**

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board



**NAD Manhas**  
*Director*

Registered office:  
Building 2 Abbey View  
Everard Close  
St Albans  
Hertfordshire  
AL1 2QU

15 December 2021

**PIZZA HUT HSR ADVERTISING LIMITED**  
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**STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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 company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

**PIZZA HUT HSR ADVERTISING LIMITED**  
**Financial Statements**  
**Year Ended 31 December 2020**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PIZZA HUT HSR ADVERTISING LIMITED**

**Opinion**

We have audited the financial statements of Pizza Hut HSR Advertising Limited ("the company") for the year ended 31 December 2020 which comprise the statement of income and retained earnings, the statement of financial position and related notes, including the accounting policies in note 4.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

**Going concern**

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the company will continue in operation.

**Fraud and breaches of laws and regulations – ability to detect**

*Identifying and responding to risks of material misstatement due to fraud*

**PIZZA HUT HSR ADVERTISING LIMITED**  
**Financial Statements**  
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To identify risks of material misstatement due to fraud (“fraud risks”) we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors and inspection of policy documentation as to the Company’s high-level policies and procedures to prevent and detect fraud, including the Company’s channel for “whistleblowing”, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board minutes.
- Considering remuneration incentive schemes and performance targets for management/ directors/ sales staff.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account possible pressures to meet profit targets, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because of the minimal estimation and complexity of the revenue streams applicable to the entity.

We did not identify any additional fraud risks.

We performed procedures including:

Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included entries posted with an unexpected corresponding entry to revenue.

*Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations*

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the directors (as required by auditing standards), and discussed with the directors the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

The Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation, and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Whilst the Company is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the financial statements



**PIZZA HUT HSR ADVERTISING LIMITED**  
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*Context of the ability of the audit to detect fraud or breaches of law or regulation*

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

**Directors' report**

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

**Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required 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; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

**Directors' responsibilities**

As explained more fully in their statement set out on page [4], the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

**PIZZA HUT HSR ADVERTISING LIMITED**  
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**Year Ended 31 December 2020**

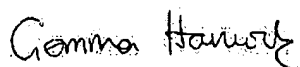
**Auditor's responsibilities**

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

**The purpose of our audit work and to whom we owe our responsibilities**

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.



**Gemma Hancock (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*  
15 Canada Square  
London  
E14 5GL  
15 December 2021

**PIZZA HUT HSR ADVERTISING LIMITED**

**Financial Statements**

**Year Ended 31 December 2020**

**Statement of Income and Retained Earnings**

**for year ended 31 December 2020**

	<i>Note</i>	<b>Year ended 31 Dec 2020 £</b>	<b>Year ended 31 Dec 2019 £</b>
<b>Turnover</b>	<b>6</b>	<b>14,268,486</b>	<b>14,000,662</b>
<b>Cost of sales</b>		<b>(13,026,987)</b>	<b>(12,286,749)</b>
<b>Gross profit</b>		<b>1,241,499</b>	<b>1,713,913</b>
<b>Administrative expenses</b>		<b>(1,261,726)</b>	<b>(2,033,586)</b>
<b>Operating loss</b>		<b>(20,227)</b>	<b>(319,673)</b>
<b>Loss before tax</b>		<b>(20,227)</b>	<b>(319,673)</b>
<b>Tax on loss on revenue</b>	<b>8</b>	<b>-</b>	<b>-</b>
<b>Loss after tax</b>		<b>(20,227)</b>	<b>(319,673)</b>
<b>Total comprehensive loss</b>		<b>(20,227)</b>	<b>(319,673)</b>
<b>Retained losses at the beginning of the period</b>		<b>(2,615,082)</b>	<b>(2,295,409)</b>
<b>Retained losses at the end of the period</b>		<b>(2,635,309)</b>	<b>(2,615,082)</b>

All the activities of the company are from continuing operations.

The notes on page 11 to 16 form part of these financial statement.

**PIZZA HUT HSR ADVERTISING LIMITED**

**Financial Statements**

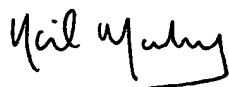
**Year Ended 31 December 2020**

**Statement of Financial Position**

**at 31 December 2020**

	Note	31 Dec 20 £	£	31 Dec 19 £	£
<b>Fixed assets</b>					
Tangible assets	9		4,716		-
<b>Current assets</b>					
Debtors (including £nil (2019: £29,566) due after more than one year)	10	1,892,071		2,384,340	
Cash at bank and in hand		-		583,330	
		<u>1,892,071</u>		<u>2,967,670</u>	
<b>Creditors: amounts falling due within one year</b>	11	<u>(4,531,996)</u>		<u>(5,582,652)</u>	
			(2,639,925)		(2,614,982)
<b>Net liabilities</b>			<u>(2,635,209)</u>		<u>(2,614,982)</u>
<b>Capital and reserves</b>					
Called up share capital	12		100		100
Profit and loss account			(2,635,309)		(2,615,082)
<b>Shareholders' deficit</b>			<u>(2,635,209)</u>		<u>(2,614,982)</u>

These financial statements were approved by the board of directors on 15 December 2021 and were signed on its behalf by:



**NAD Manhas**

Director

Company registered number: 00894474

The notes on page 11 to 16 form part of these financial statements.

**PIZZA HUT HSR ADVERTISING LIMITED**  
**Financial Statements**  
**Year Ended 31 December 2020**

**Notes** *(forming part of the financial statements)*

**1. General information**

Pizza Hut HSR Advertising Limited is a company limited by shares and incorporated and domiciled in the UK. The address of the registered office is Building 2 Abbey View, Everard Close, St Albans, Hertfordshire, AL1 2QU.

**2. Employees**

No individuals are directly employed by the company. All payroll costs related the company's operations are borne by the fellow group companies, Yum! III (UK) Limited and Pizza Hut Europe Limited.

**3. Directors' Remuneration**

As in prior years, total directors' remuneration for qualifying services for the financial year was £nil. All remuneration for directors was incurred by and borne by fellow group companies, namely Yum! III (UK) Limited and Pizza Hut Europe Limited.

**4. Statement of Compliance**

These financial statements have been prepared in accordance with Financial Reporting Standard 102, The Financial Reporting Standard applicable in UK and Republic of Ireland ("FRS 102").

**5. Accounting policies**

**5.1. Basis of preparation**

The financial statements have been prepared on the historic cost basis as modified by the revaluation of certain financial assets and liabilities measured at fair value through profit and loss.

The financial statements are prepared in sterling, which is the functional currency. All amounts in the financial statements are rounded to the nearest £1.

**5.2. Going concern**

Notwithstanding net current liabilities of £2,635,925 as at 31 December 2020 and a loss for the year then ended of £20,227, the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

In addition to the draft breakeven financial position in 2021, the directors have prepared cash requirements forecast for at least 12 months from the date of signing of these accounts. Even taking account of reasonably possible downsides including the impact of the global crisis resulting from the spread of coronavirus (COVID-19), this forecast indicates that the company will have sufficient funds, through funding from its parent Yum! III (UK) Limited, to meet its liabilities as they fall due for that period.

In addition, the directors note that Yum! III (UK) Limited confirms its intention to continue to provide further financial and other support to Pizza Hut HSR Advertising Ltd for at least the next twelve months from the date of approval of the financial statements to enable it to meet its liabilities as they fall due. This support includes not requiring repayment of material amounts that could prevent Pizza Hut HSR Advertising Limited from satisfying its obligations and debt service requirements.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its obligations as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

**PIZZA HUT HSR ADVERTISING LIMITED**  
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**5.2. Going concern (cont.)**

As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue, although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

**5.3. Disclosure exemption**

The Company's ultimate parent undertaking, Yum! Brands, Inc. includes the Company in its consolidated financial statements. The consolidated financial statements of Yum! Brands, Inc. are available to the public and may be obtained from the address detailed in note 13. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- cash flow statement and related notes;
- key management personnel compensation; and
- related party with entities which form part of the group.

**5.4. Turnover**

Turnover mainly represents amounts paid by Pizza Hut franchisees pursuant to obligations under franchise agreements and by Yum! III (UK) Limited as Franchisor. The two main elements of turnover are represented by marketing contributions and local store leafleting activities. Marketing contributions are calculated on a percentage of net sales basis. Local store leafleting activities are fully recharged as incurred.

**5.5. Foreign currency**

Transactions in foreign currencies are translated to the Company's functional currency at the foreign exchange rate ruling at the date of the transaction. Foreign exchange differences arising on translation are recognised in the profit and loss account.

**5.6. Basic financial instruments**

*Trade and other debtors / creditors*

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

*Impairment*

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably. An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

*Cash and cash equivalents*

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

**PIZZA HUT HSR ADVERTISING LIMITED**  
**Financial Statements**  
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### 5.7. Taxation

Tax on the profit or loss for the period comprises current tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised (when applicable), without discounting, in respect of all timing differences between the treatments of certain items for taxation and accounting purpose. In the current year no deferred tax has been recognised.

### 5.8. Tangible Assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

### 5.9. Depreciation

Depreciation is charged to the profit and loss account on the straight-line basis over the useful lives of each part of an item of tangible fixed assets.

The asset lives are as follows:

Asset class	Asset life
Software	3 years
Equipment	5 years

## 6. Turnover

	31 Dec 2020 £	31 Dec 2019 £
Marketing contribution	9,855,250	8,325,142
Local Store Leafleting activity	4,201,216	5,093,269
Other income	212,020	582,251
	<hr/>	<hr/>
	<b>14,268,486</b>	<b>14,000,662</b>
	<hr/>	<hr/>

## 7. Expenses and Auditors remuneration

Included in loss is the following:

	Year ended 31 Dec 2020 £	Year ended 31 Dec 2019 £
Impairment (profit)/loss on trade debtors	(334,793)	1,290,074
Depreciation	524	25,630
Audit of these financial statements	6,975	6,295
Taxation compliance services	-	2,550

**PIZZA HUT HSR ADVERTISING LIMITED**  
**Financial Statements**  
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**8. Tax on loss**

**Major components of tax income**

	Year ended 31 Dec 2020 £	Year ended 31 Dec 2019 £
Current tax on loss for the period	-	-
	<hr/>	<hr/>
Total current tax	-	-
	<hr/> <hr/>	<hr/> <hr/>

**Reconciliation of tax income**

	Year ended 31 Dec 2020 £	Year ended 31 Dec 2019 £
Loss on ordinary activities before taxation	(20,227)	(319,673)
	<hr/>	<hr/>
Tax using the UK Corporation tax rate of 19% (2019: 19%)	(3,843)	(60,738)
Group relief surrendered for no consideration	3,923	55,868
Timing differences for which no deferred tax asset was recognised	(80)	4,870
	<hr/>	<hr/>
Total tax expense included in profit or loss	-	-
	<hr/> <hr/>	<hr/> <hr/>

In the 3 March 2021 Budget, it was announced that the UK tax rate will increase to 25% from 1 April 2023. This will have a consequential effect on the company's future tax charge. If this rate change had been substantively enacted at the current balance sheet date the deferred tax asset would have increased by £25.



**PIZZA HUT HSR ADVERTISING LIMITED**  
**Financial Statements**  
**Year Ended 31 December 2020**

**9. Tangible Fixed Assets**

<b>Cost</b>	<b>31 Dec 2020</b>
Balance at 31 Dec 2019	-
Additions	5,240
<b>Balance at 31 Dec 2020</b>	<b>5,240</b>
<b>Depreciation</b>	
Balance at 31 December 2019	-
Depreciation for the year	(524)
<b>Balance at 31 Dec 2020</b>	<b>(524)</b>
<b>Net book value</b>	
At 31 December 2019	-
At 31 December 2020	4,716

**10. Debtors**

	31 Dec 2020 £	31 Dec 2019 £
Trade debtors	1,481,583	2,131,496
Prepayments and accrued income	380,922	223,278
<b>Amounts falling due after more than one year</b>		
Deferred income	29,566	29,566
	<b>1,892,071</b>	<b>2,384,340</b>

**11. Creditors: amounts falling due within one year**

	31 Dec 2020 £	31 Dec 2019 £
Trade creditors	281,318	1,090,150
Amounts owed to group undertakings	2,494,501	3,713,648
VAT liability	177,389	154,051
Other creditors	1,578,788	624,803
	<b>4,531,996</b>	<b>5,582,652</b>

**PIZZA HUT HSR ADVERTISING LIMITED**  
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**12. Capital and reserves**

	31 Dec 2020	31 Dec 2019
<i>Allotted, called up and fully paid</i>	<i>£</i>	<i>£</i>
100 ordinary shares of £1 each	100	100

The called up shared capital account records the shares held by the company's parent company at cost. The profit and loss account records retained earnings and accumulated loss.

**13. Ultimate parent company and parent company of larger group**

The Company is a subsidiary undertaking of Yum! III (UK) Limited.

The smallest and largest group in which the results of the Company are consolidated is that headed by Yum! Brands, Inc., a company incorporated in the United States of America. The consolidated financial statements of these groups are available to the public and may be obtained from:

Yum! Brands, Inc.  
1441 Gardiner Lane  
PO Box 37330  
Louisville  
Kentucky  
40213  
USA