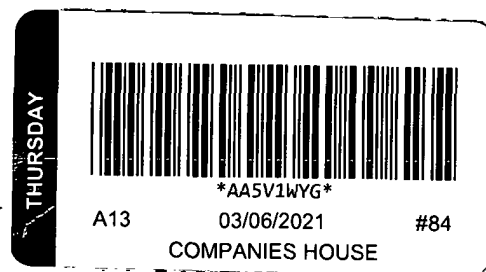


**COMPANY REGISTRATION NUMBER 02754921**

**BRAVADO INTERNATIONAL GROUP LIMITED  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**



**BRAVADO INTERNATIONAL GROUP LIMITED**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2020**

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# **BRAVADO INTERNATIONAL GROUP LIMITED**

## **OFFICERS AND PROFESSIONAL ADVISERS**

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### **THE BOARD OF DIRECTORS**

BJ Muir  
SL Carmel  
P Jassal

### **COMPANY SECRETARY**

A Abioye

### **REGISTERED OFFICE**

4 Pancras Square  
London  
N1C 4AG

### **AUDITOR**

Grant Thornton UK LLP  
Statutory Auditor  
30 Finsbury Square  
London  
EC2A 1AG

### **BANK**

HSBC Bank PLC  
PO Box 149  
210 High Holborn  
London  
WC1V 7BZ

# **BRAVADO INTERNATIONAL GROUP LIMITED**

## **STRATEGIC REPORT**

### **YEAR ENDED 31 DECEMBER 2020**

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The directors present their strategic report for the company for the year ended 31 December 2020.

#### **PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

The principal activity of the company during the year was merchandisers of licensed products.

The result and position of the company as at and for the year ended 31 December 2020 are set out in the statement of comprehensive income, statement of financial position and statement of changes in equity on pages 16, 17 and 18 respectively. The result and position of the company were in line with directors' expectations.

#### **RESULTS AND DIVIDENDS**

The company's profit for the financial year was £2,474k (2019 - profit £4,869k). The retained profit for the year has been transferred to reserves.

The directors do not recommend payment of a dividend for the year ended 31 December 2020 (2019 - £Nil)

#### **SECTION 172 STATEMENT**

Under section 172 of the Companies Act 2006, the board of directors of a company must act to promote the success of the company for the benefit of its members as a whole, and in doing so have regard to the factors noted in section 172(1).

The board constantly assesses the implications of decisions made, in terms of the both the potential long-term consequences for the company, together with the impact on our stakeholders, including shareholders, artists, employees, suppliers and customers, the wider community and the environment.

The company is a member of the Universal Music Group (UK). In making this statement the directors are drawing upon the relevant activities of the group.

#### Shareholders

The company is ultimately owned by Vivendi SE, a company listed in France. The board regularly communicates with Vivendi regarding strategy and performance through a number of different channels:

- Regular and timely management accounts;
- Detailed and accurate financial budgets and forecasts;
- Collaboration as part of the Vivendi cash management policy; and
- Consultation and approval of any significant investment and acquisition decisions.

#### Artists

The board recognises that the success of our artists is key to maintaining Bravado's position as the world's leading Music Merchandise and Brand Management company. Our experienced teams continue to work with our roster of existing artists to create exciting new designs and product ranges that bring commercial success whilst being aligned to the DNA and handwriting of these artists. Simultaneously, we are also identifying new and emerging artists with whom Bravado could develop successful long-term partnerships.

The company works with our artists to identify ways to create excitement for the fans through experiential projects and strong curation while also giving them the opportunity to buy the merchandise they want. A notable example of this was the opening of the permanent Rolling Stones store, RS No 9 Carnaby, on London's Carnaby Street. In addition, in 2020 Bravado won the award for Best Music or Celebrity Licensed Property at the UK Licensing Awards.

## **BRAVADO INTERNATIONAL GROUP LIMITED**

### **STRATEGIC REPORT (continued)**

**YEAR ENDED 31 DECEMBER 2020**

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#### **SECTION 172 STATEMENT (continued)**

##### Employee engagement

The board understands that Bravado International Group's staff are right at the heart of everything we do as a business, and the importance of an engaged and dynamic workforce to ensure we can continue to be at the forefront of the music merchandise business which is going through an exciting period of change and development.

Bravado International Group is part of Universal Music Group, with UMG's Human Resources Department managing all aspects of Bravado's HR requirements. The Learning and Development team continues to provide high quality training opportunities for employees, as well as providing Mindfulness support:

- Music Business Essentials – a series of workshops covering a range of different music industry topics. This provides useful awareness of the music sector overall, including the merchandise element;
- Bespoke training – regular staff feedback & reviews help identify where individual development plans or manager training would be useful;
- Mindfulness courses and health screening designed to help employees maintain work life balance; and
- 'Short Fridays' – reduced hours on Friday during summer months was introduced to encourage a good work – life balance. During the pandemic this initiative has been extended beyond summer months.

A key area of focus for Human Resources is neurodiversity in the workplace, and in January 2020 we rolled out manager sessions on neurodiversity. In February 2020 Universal Music UK published the first handbook for embracing neurodiversity in the creative industries. The handbook, titled Creative Differences, explores the experiences of people with specific facets of neurodiversity and highlights that while nearly all creative companies recognise the value of neurodiversity in the workplace only very few have ND-friendly policies and practices in place. It provides a range of practical solutions companies can adopt to make their workforces more accessible in areas including recruitment, mentorship and career progression.

Covid-19 has of course had a huge impact on Bravado International Group employees, who are now all working from home whilst our headquarters are closed due to the lockdown restrictions. The board is incredibly proud of the resilience, teamwork and creativity that our teams have shown in adapting to the new circumstances. The board is committed to providing all the support employees need to deal with the unique challenges this brings, and we are currently assessing our next steps.

##### Business relationships - suppliers and customers

The board considers that our relationship with all suppliers and customers is critical to the day to day running of our operations. We engage regularly with our supplier and customer network to ensure they are aligned with the goals and objectives of Bravado.

Our accounts payable team continues to work closely with suppliers to ensure that the payment process runs smoothly, and in 2020 our average time to pay invoices was 42 days. We are aware that Covid-19 has had a significant impact on many of our suppliers and therefore we aim to pay approved invoices as quickly as possible.

For customers we have similarly noted the adverse impact of Covid-19 and where necessary we have worked with them to agree revised credit terms, or facilitate payment holidays, whilst at the same time managing the company's credit risk.

# **BRAVADO INTERNATIONAL GROUP LIMITED**

## **STRATEGIC REPORT (continued)**

### **YEAR ENDED 31 DECEMBER 2020**

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#### **SECTION 172 STATEMENT (continued)**

##### The community

The board believes that music can play a vital role in bringing people together, working for positive change within communities. Bravado International Group works closely with Universal Music UK in supporting a number of different causes and projects including:

- Charitable work through the Universal Music UK Sound Foundation. This year it celebrated its 21st anniversary and reached a landmark £8 million in donations, grants and bursaries aimed at improving access to music education for young people.
- Bravado is an integral part of the CSR Committee and continues to offer support for many of their incredible charitable partners including XLP and their mobile recording studio, OnTrack at the Roundhouse and its mentoring programme and the Camden Music Services.
- Bravado also continue to support the CSR Committee with the supply of samples for the regular sample sales donating funds to support the many charitable partners across the business.
- During the pandemic, Bravado donated product to several homeless charities including The Albert Kennedy Trust and the Single Homeless Project, on occasions, teaming up with our artists for these projects.
- Finally, in response to the Covid-19 impact Bravado designed, manufactured and sold face masks featuring 21 designs of many of our global artists. The proceeds were donated to Help Musicians UK.

##### The environment

Bravado International Group's offices are located in the same building as Universal Music UK's headquarters, based at 4 Pancras Square, London. This building has been certified as 'Outstanding' by BREEAM, reflecting the board's desire to make the business as environmentally friendly as possible.

Bravado works across our Supply Chain to ensure we deliver environmentally friendly product into the market place. We are also working hard to ensure any excess inventory is not destroyed but is responsibly recycled.

We have signed agreements with all our manufacturing partners to cover areas including Health & Safety, Child Labour and Environmental Sustainability.

We work with major retailers including ASOS and Next on their BCI (Better Cotton Initiative)

During Covid-19 we have consciously been shipping fewer samples around the globe for artists approval. Instead, we are using photographic approval to ensure we are lessening our carbon footprint.

In every initiative we are involved in, we push to deliver positively for the environment. For the Rolling Stones store, RS No 9 Carnaby, for instance, all our labelling is made from recycled polyester.

##### Maintaining a reputation for high standards of business conduct

The company has a code of conduct which is certified annually by all employees to encourage ethical behaviour as well as to highlight possible ethical threats which could be faced by employees.

The company maintains high standards of expected conduct for its employees and has clearly defined procedures for its employees to report any concerns internally. This encompasses a wide variety of areas of behaviour including anti-bribery training, commercial sensitivity and appropriate workplace conduct among others.

The directors are acutely aware of the high profile nature of the Bravado and the Universal Music brands and make every effort to both protect their reputation and live up to the highest standards.

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# **BRAVADO INTERNATIONAL GROUP LIMITED**

## **STRATEGIC REPORT (continued)**

### **YEAR ENDED 31 DECEMBER 2020**

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#### **ENERGY & CARBON REPORTING STATEMENT**

The company operates from an office at 4 Pancras Square, alongside other companies within the Universal Music UK Group.

The company seeks to conduct business operations in a sustainable manner which helps create a better future for the environment.

This section of our strategic report discloses our operational energy and carbon footprint in line with the UK government's Streamlined Energy and Carbon Reporting ('SECR') initiative.

In 2020 the company had a carbon footprint of 4.55 tCO<sub>2</sub>e using a location-based approach. This is down 36% from 7.07 tCO<sub>2</sub>e in 2019. The reduced carbon footprint is welcomed. However, we recognise that some of this improvement is due to the impact of Covid-19 and the related government restrictions, which have meant the majority of the workforce working from home for much of the year.

#### Methodology

To comply with SECR, the company has reported on all emission sources required under The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018. This includes emissions during both the current year, and our previous year (which was not included in our 2019 report). This is for the sake of comparison and is not mandatory for the first year of reporting under SECR.

Our emissions have been calculated in line with the GHG Protocol Corporate Accounting and Reporting Standard (revised edition). Both location-based and market-based emissions have been calculated using emission factors from the Department of Business, Energy & Industrial strategy (Greenhouse gas reporting: conversion factors for 2019 and 2020 respectively for location-based) and supplier-specific fuel mixes for market-based.

In line with SECR requirements, the emissions reported are the same as those which would be reported based on a financial control boundary. The company's Scope 2 emissions relate to the office at 4 Pancras Square. They have been calculated by allocating the total emissions of the site based on the square footage occupied by the company.

#### UK Annual Energy and Carbon

In 2020 the company consumed 19,505 kWh of energy and had an adjusted footprint of 4.55 tCO<sub>2</sub>e, a decrease of 2.52 tCO<sub>2</sub>e compared to the previous year.

Table 1 shows the company did not generate any Scope 1 emissions, including consumption of fuel by fleet or company cars, or fugitive emissions from refrigerants. The 4 Pancras Square site does not have natural gas, or liquid fuels from generators and equipment.

Scope 1	Natural Gas	Transport - Company Car	Refrigerants
	kWh	kWh	kWh
2019	N/A	N/A	N/A
2020	N/A	N/A	N/A

Table 1: Scope 1 Emissions

**BRAVADO INTERNATIONAL GROUP LIMITED****STRATEGIC REPORT (continued)****YEAR ENDED 31 DECEMBER 2020****ENERGY & CARBON REPORTING STATEMENT (continued)**

Table 2 shows our Scope 2 emissions, based on the electricity we consume. These have been calculated using both the location-based methodology, in line with the average UK grid energy mix in the UK; as well as the market-based methodology, which reflects the contractual emission factors of the electricity providers with specific information regarding the origin of electricity and associated GHG intensity.

Scope 2	Electricity kWh	tCO <sub>2</sub> e (location)	tCO <sub>2</sub> e (market)
2019	27,649.15	7.07	0.03
2020	19,505.41	4.55	0.02

**Table 2: Scope 2 Emissions**

Table 3 shows that the company did not generate any Scope 3 emissions, including energy consumed through use of rental or personal cars.

Scope 3	Transport - Diesel	Transport - Petrol
	kWh	kWh
2019	N/A	N/A
2020	N/A	N/A

**Table 3: Scope 3 Emissions**

A summary of all the emissions reported in line with our SECR disclosure is shown in Table 4.

tCO <sub>2</sub> e	Scope 1	Scope 2 (location)	Scope 2 (market)	Scope 3	Total (location)	Total (market)
2019	N/A	7.07	0.03	N/A	7.07	0.03
2020	N/A	4.55	0.02	N/A	4.55	0.02

**Table 4: Total carbon emissions**

A summary of all the kWh energy reported in line with our SECR disclosure is shown in Table 5.

kWh	Scope 1	Scope 2	Scope 3	Total
2019	N/A	27,649.15	N/A	27,649.15
2020	N/A	19,505.41	N/A	19,505.41

**Table 5: Total kWh energy**

Table 6 contains our chosen intensity ratio of tonnes of carbon dioxide equivalent per square foot.

Intensities	Location-based
	tCO <sub>2</sub> e /sqft
2019	0.0020
2020	0.0013

**Table 6: Intensity ratio (tCO<sub>2</sub>e/sqft)**



# **BRAVADO INTERNATIONAL GROUP LIMITED**

## **STRATEGIC REPORT (continued)**

**YEAR ENDED 31 DECEMBER 2020**

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### **ENERGY & CARBON REPORTING STATEMENT (continued)**

#### Energy efficiency actions

The company operates from an office at 4 Pancras Square, alongside other companies within the Universal Music UK Group. Universal Music UK makes a conscious effort to incorporate energy efficiency measures in site refurbishments or when moving operations to new sites. Specifically, in June 2017 Universal Music UK moved into 4 Pancras Square, a new and more energy-efficient building, which is scored as a BREEAM Outstanding building. Below are some of the features which provide significant energy savings:

- Site orientation, solar shading, and use of thermal mass for cooling and passive ventilation;
- Water-saving and recycling technologies;
- An on-site Energy Centre which meets almost 100% of the site's heat demand, and it is made up of gas fired Combined Heat and Power which supplies the site's hot water;
- Heating and cooling pumps which circulate heated/cooled air, varying their speed and volume supplied based on demand;
- Water meters are installed to record the amount of water used in each area and identify water savings where possible;
- Toilets are fitted with dual flush mechanisms to limit the amount of water wasted when flushing; and
- Basin taps have air mixed with water to use less water than a normal tap.

### **KEY PERFORMANCE INDICATORS**

The company uses a variety of performance indicators to review historical performance and plan for the future. The key indicators are turnover and gross profit margin, as described below.

#### ***Turnover***

Turnover levels decreased 42% on the prior year, primarily due to Covid-19 related lockdowns which closed down touring activity for 9 months of the year, as well as disrupt our retail business. Online sales have continued to grow year on year, and help mitigate some of effects of lockdown. While the turnover for 2021 will also be affected by the Covid-19 restrictions, as explained within 'Principal Risks and Uncertainties', the outlook for future years appears positive based on a strong artist roster, pent-up demand for live events, increased retail demand for merchandise, and continued momentum within our online business.

#### ***Gross profit margin***

The company's gross profit margin increased from 17% to 21%. This was due to a change in sales mix year on year.

### **FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The company uses a variety of financial instruments including cash, equity investments and various instruments such as artist advances and trade payables that arise directly from its operations.

The directors are of a view that the main risks arising from the company's financial instruments are exchange rate risk, interest rate risk, liquidity risk and credit risk, as summarised below:

#### ***Exchange rate risk***

Exchange rate fluctuation presents a risk because some sales are priced in overseas currencies, and certain balances are denominated in currencies other than Sterling. The directors do not consider that the potential downside is significant enough to require hedging but continue to monitor the potential risk.

# **BRAVADO INTERNATIONAL GROUP LIMITED**

## **STRATEGIC REPORT (continued)**

**YEAR ENDED 31 DECEMBER 2020**

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### ***Interest rate risk***

The company does not have any significant external borrowings and as such the directors consider the interest rate risk to be minimal at this stage.

### ***Liquidity risk***

The company manages its financial risk by ensuring liquidity is sufficient to meet future needs, and that sufficient funding is in place before any new commitments are entered into. Cash flow forecasts are monitored by management on a regular basis.

### ***Credit risk***

The principle credit risk arises from trade debtors. Management approve credit terms for all new customers, and regularly review the credit position of existing accounts.

## **PRINCIPAL RISKS AND UNCERTAINTIES**

The company is faced with similar risks and uncertainties as other companies operating in the recorded music business, broadly:

- Competition from other merchandise companies to secure rights to service music merchandise.
- The pressure on margins in an already tight market.
- Changes in high street trends which affect the popularity of music related designs.
- The continued uncertainty over Brexit means it is unclear as to what effect it will have on the business, if any, and the lockdowns in 2020 may have delayed the business experiencing those potential effects. Regardless, management have plans in place that should negate most adverse effects when normal business resumes.
- Covid-19 had a significant effect on certain areas of the business as concerts have been cancelled and physical retail has been restricted. The expectation remains that once restrictions are eased live events will bounce back very strongly as will physical retail, as there is a lot of pent-up demand as well as increased levels of disposable income/ savings. We also expect that online sales will continue to build for both our e-retailer customers and for our artist webstores. Depending on when restrictions are eased touring sales for 2021 could be 50% to 70% down on 'normal year' expectations, but the financial effect is mitigated by the fact that the majority of touring costs are variable, and available resources have been reallocated to other areas of the business. In addition, touring is only one of the company's revenue streams with the other streams likely to return to some normality relatively quickly thus ensuring ongoing sales activity, which some channels outperforming prior years. Finally, the company has the support of the group treasury function for day to day activities. Therefore, the directors believe it is appropriate to prepare these financial statements on a going concern basis, as mentioned in the directors report.
- At this stage the directors do not consider that the effects of climate change pose a significant risk to the company's operations.

All risks and uncertainties are regularly monitored by the Board of Directors of the company.

# **BRAVADO INTERNATIONAL GROUP LIMITED**

## **STRATEGIC REPORT (continued)**

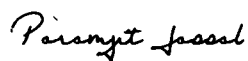
**YEAR ENDED 31 DECEMBER 2020**

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### **FUTURE DEVELOPMENTS**

Notwithstanding the risks and uncertainties outlined above, the directors do not anticipate any significant change in the activities and results of the company in the foreseeable future.

By order of the board



P Jassal  
Director

Date: 26/5/2021

**BRAVADO INTERNATIONAL GROUP LIMITED****DIRECTORS' REPORT****YEAR ENDED 31 DECEMBER 2020**

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The directors present their report, together with the financial statements and the auditor's report of the company for the year ended 31 December 2020.

They have included the following matters within the strategic report, otherwise required to be disclosed in the directors' report, as they are considered to be of strategic importance to the company.

- Results and dividends;
- Financial risk management objectives and policies;
- Principal risks and uncertainties; and
- Future developments.

**DIRECTORS**

BJ Muir  
SL Carmel  
P Jassal

**DIRECTORS' QUALIFYING THIRD PARTY INDEMNITY PROVISIONS**

A qualifying third party indemnity provision remains in force as at the date of approving the directors' report, subject to the provisions of section 236 of the Companies Act 2006. Vivendi SE, headed by Bolloré Group, the ultimate parent undertaking, maintains a Directors & Officers Liability Programme which indemnifies directors' personal liabilities resulting from alleged wrongful acts committed in the line of their employment.

**POLICY ON THE PAYMENT OF CREDITORS**

It is the company's policy that payments to suppliers are made in accordance with those terms and conditions agreed between the company and its suppliers, provided that all trading terms and conditions have been complied with.

**DONATIONS**

During the year the company made the following contributions:

	2020 £	2019 £
Charitable	37,350	5,838
	<u>37,350</u>	<u>5,838</u>

**GOING CONCERN - CONTINUED SUPPORT FROM PARENT UNDERTAKING**

The financial statements have been prepared on the going concern basis as the company has received confirmation from Universal Music Group B.V. the company's parent undertaking, of its intention to continue to provide financial and other support to the extent necessary to enable the company to continue to pay its liabilities as and when they become due for a period not less than one year from the date of approval of these financial statements. Having regard to this intention, the directors believe it is appropriate to prepare these financial statements on a going concern basis.

## **BRAVADO INTERNATIONAL GROUP LIMITED**

### **DIRECTORS' REPORT (continued)**

**YEAR ENDED 31 DECEMBER 2020**

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#### **DIRECTORS' RESPONSIBILITIES STATEMENT**

The directors are responsible for preparing the annual report and 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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 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 year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then 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 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 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.

#### **AUDITOR**

The director's confirm that:

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

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

By order of the board

*Bola Abioye*

A Abioye

Company Secretary

Date: 26/5/2021

Company Registration Number: 02754921

## **BRAVADO INTERNATIONAL GROUP LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRAVADO INTERNATIONAL GROUP LIMITED**

**YEAR ENDED 31 DECEMBER 2020**

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#### **Opinion**

We have audited the financial statements of Bravado International Group Limited (the 'Company') for the year ended 31 December 2020, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 Company's affairs as at 31 December 2020 and its loss 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**

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the Company's business model including effects arising from macro-economic uncertainties such as Brexit and Covid-19, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

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 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.

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.

The responsibilities of the directors with respect to going concern are described in the 'Responsibilities of directors for the financial statements' section of this report.

## **BRAVADO INTERNATIONAL GROUP LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRAVADO INTERNATIONAL GROUP LIMITED (continued)**

**YEAR ENDED 31 DECEMBER 2020**

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#### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

#### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

#### **Matter on which we are required to report under the Companies Act 2006**

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

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

We have nothing to report in respect of the following matters in relation to which 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime.

#### **Responsibilities of directors for the financial statements**

As explained more fully in the directors' responsibilities statement set out on page 11, 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 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.

## **BRAVADO INTERNATIONAL GROUP LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRAVADO INTERNATIONAL GROUP LIMITED (continued)**

**YEAR ENDED 31 DECEMBER 2020**

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#### **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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### **Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

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. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We understood how the Company is complying with those legal and regulatory frameworks by making enquiries of management and those responsible for legal and compliance. We corroborated our enquiries through our review of any correspondence received from regulatory bodies.
- We assessed the susceptibility of the Company's Financial Statements to material misstatement, including how fraud might occur by meeting with management from relevant parts of the business to understand where management considered there was a susceptibility to fraud. We also considered performance targets and their influence on efforts made by management to manage earnings or influence the perceptions of analysts.
- Audit procedures performed by the engagement team included:
  - evaluation of the programmes and controls established to address the risks related to irregularities and fraud;
  - testing manual journal entries, in particular journal entries relating to management estimates and entries determined to be large or relating to unusual transactions;
  - reviewing the accounting estimates, judgements and decisions made by management specifically around the bad debt and advances provisions and accrued income;
  - identifying and testing related party transactions.
- Assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
  - understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation
  - knowledge of the industry in which the client operates
  - understanding of the legal and regulatory requirements specific to the entity/regulator entity including:
    - the provisions of the applicable legislation
    - the regulators rules and related guidance including guidance issued by relevant authorities that interprets those rules
    - the applicable statutory provisions
- We did not identify any matters relating to non-compliance with laws and regulation or relating to fraud.



**BRAVADO INTERNATIONAL GROUP LIMITED**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRAVADO INTERNATIONAL GROUP LIMITED (continued)**

**YEAR ENDED 31 DECEMBER 2020**

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**Use of our report**

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.

*Grant Thornton UK LLP*

Nicholas Page  
Senior Statutory Auditor  
For and behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
London

Date: 26/5/2021

Company Registration Number: 02754921

**BRAVADO INTERNATIONAL GROUP LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**YEAR ENDED 31 DECEMBER 2020**

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	<b>Note</b>	<b>2020 £</b>	<b>2019 £</b>
<b>TURNOVER</b>	<b>4</b>	<b>36,169,924</b>	<b>61,843,282</b>
Cost of sales		<b>(28,398,595)</b>	<b>(51,274,477)</b>
<b>GROSS PROFIT</b>		<b>7,771,329</b>	<b>10,568,805</b>
Administrative expenses		<b>(4,816,868)</b>	<b>(4,870,538)</b>
<b>OPERATING PROFIT</b>	<b>5</b>	<b>2,954,461</b>	<b>5,698,267</b>
Interest receivable and similar income	<b>7</b>	<b>108,743</b>	<b>335,820</b>
Interest payable and similar charges	<b>8</b>	<b>(12,979)</b>	<b>(14,412)</b>
<b>PROFIT BEFORE TAXATION</b>		<b>3,050,225</b>	<b>6,019,675</b>
Tax on profit	<b>9</b>	<b>(576,102)</b>	<b>(1,150,658)</b>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<b>2,474,123</b>	<b>4,869,017</b>

All of the activities of the company are classed as continuing operations.

**The notes on pages 19 to 32 form part of these financial statements**

**BRAVADO INTERNATIONAL GROUP LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2020**

	Note	2020 £	2019 £
<b>CURRENT ASSETS</b>			
Inventories	11	475,227	320,015
Debtors: Amounts falling due within one year	12	39,988,611	38,908,042
Cash at bank		9,900	11,301
		<u>40,473,738</u>	<u>39,239,358</u>
<b>CREDITORS: Amounts falling due within one year</b>	13	<b>(22,458,186)</b>	<b>(23,697,929)</b>
<b>NET CURRENT ASSETS</b>		<b>18,015,552</b>	<b>15,541,429</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>18,015,552</b>	<b>15,541,429</b>
<b>NET ASSETS</b>		<b>18,015,552</b>	<b>15,541,429</b>
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	18	100	100
Profit and loss account		<u>18,015,452</u>	<u>15,541,329</u>
<b>EQUITY SHAREHOLDERS' FUNDS</b>		<b>18,015,552</b>	<b>15,541,429</b>

These accounts were approved by the board of directors and authorised for issue on 26/5/2021 and are signed on their behalf by:

*P Jassal*

P Jassal  
Director

**The notes on pages 19 to 32 form part of these financial statements**

**BRAVADO INTERNATIONAL GROUP LIMITED****STATEMENT OF CHANGES IN EQUITY****YEAR ENDED 31 DECEMBER 2020**


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	<b>Share Capital</b>	<b>Profit &amp; Loss Account</b>	<b>Total Shareholders' Funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Balance brought forward at 1 January 2019	100	10,672,312	10,672,412
<b>Total comprehensive income for the period</b>			
Profit for the year	-	4,869,017	4,869,017
	<hr/>	<hr/>	<hr/>
Balance brought forward at 1 January 2020	100	15,541,329	15,541,429
<b>Total comprehensive income for the period</b>			
Profit for the year	-	2,474,123	2,474,123
	<hr/>	<hr/>	<hr/>
<b>Balance carried forward at 31 December 2020</b>	<b>100</b>	<b>18,015,452</b>	<b>18,015,552</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 19 to 32 form part of these financial statements

# **BRAVADO INTERNATIONAL GROUP LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **YEAR ENDED 31 DECEMBER 2020**

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#### **1. GENERAL INFORMATION**

Bravado International Group Limited is a private company limited by shares and incorporated in the UK under the Companies Act 2006 and registered in England and Wales. The registered office is 4 Pancras Square, London, N1C 4AG.

The principal activities of the company and the nature of its operations are set out in the strategic report on page 2.

#### **2. STATEMENT OF COMPLIANCE**

The company's financial statements 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. ACCOUNTING POLICIES**

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

These financial statements have been prepared on a going concern basis, under the historical cost convention, except that the following assets and liabilities are stated at their fair value; derivative financial instruments, financial instruments classified at fair value through the profit and loss, biological assets, investment property, tangible fixed assets and intangible assets measured in accordance with the revaluation model and investments in associates and joint ventures measured at fair value.

The financial statements are prepared in sterling, which is the functional currency of the company, and have been rounded to the nearest £.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

##### **FRS 102 - Qualifying exemptions**

The company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102:

- from preparing a statement of cash flows and related notes;
- from preparing a reconciliation of the number of shares outstanding from the beginning to the end of the financial year;
- from disclosing related party disclosures;
- from disclosing key management personnel compensation;
- from certain financial instrument disclosures required by FRS 102.11 *Basic Financial Instruments* and FRS 102.12 *Other Financial Instruments*; and
- from certain share based payment disclosures required by FRS 102.26 *Share-based Payment*.

This information is included in the consolidated financial statements of the company's parent undertaking, Vivendi SE, copies of which can be obtained from 42 Avenue de Friedland, 75380 Paris, Cedex 08, France.

# **BRAVADO INTERNATIONAL GROUP LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (continued)**

### **YEAR ENDED 31 DECEMBER 2020**

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#### **3. ACCOUNTING POLICIES (continued)**

##### **Other qualifying exemptions**

As the ultimate parent undertaking prepares publicly available consolidated financial statements and is incorporated within the European Union the company has taken advantage of the exemption under section 400 of the Companies Act 2006 from preparing consolidated accounts. As such, these financial statements give information about the company as an individual undertaking and not about its group.

##### **Going concern**

Covid-19 had a significant effect on certain areas of the business as concerts have been cancelled and physical retail has been restricted. The expectation remains that once restrictions are eased live events will bounce back very strongly as will physical retail, as there is a lot of pent-up demand as well as increased levels of disposable income/ savings. We also expect that online sales will continue to build for both our e-retailer customers and for our artist webstores. Depending on when restrictions are eased touring sales for 2021 could be 50% to 70% down on 'normal year' expectations, but the financial effect is mitigated by the fact that the majority of touring costs are variable, and available resources have been reallocated to other areas of the business. In addition, touring is only one of the company's revenue streams with the other streams likely to return to some normality relatively quickly thus ensuring ongoing sales activity, which some channels outperforming prior years. Finally, the company has the support of the group treasury function for day to day activities. Therefore, the directors believe it is appropriate to prepare these financial statements on a going concern basis, as mentioned in the directors' report.

##### **Revenue Recognition**

Revenue represents amounts receivable for goods and services net of VAT and trade discounts. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenues can be reliably measured. Specific recognition criteria must also be met before revenue is recognised as outlined below.

##### ***Sale of Goods***

Where goods are sold on the Company's behalf by third party distributors, revenue is recognised when the distributor reports sales to the Company. Where the Company receives advances from distributors which are recoupable from future sales (net of distributors' fees), these are recorded as liabilities; revenue is recognised as each distributor reports sales.

##### ***Royalty Income***

Royalty Income from license contracts is recognised, together with the associated artist royalty cost, when it has been earned and can be reliably measured, based on consideration of each contract. Under most license contracts, revenue is considered to have been earned when the licensee reports sales to the Company. Where the Company receives advances from licensees which are recoupable from future royalties, these advances are initially recorded as liabilities; revenue is recognised subsequently as the licensee reports royalties on their sales.

Where a license agreement is, in substance, an outright sale, license income is recognised as revenue immediately. For an outright sale to have occurred, the licensee must have signed a non-cancellable contract, paid a fixed fee or non-refundable guarantee, been provided with the means to freely exploit their contractual rights, and have no significant ongoing reliance on the Company (as the licensor) to perform any other delivery obligations. In addition, the artist royalty cost associated with the income must have been accurately quantified.

##### **Financial instruments**

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

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 company after deducting all of its liabilities.

# **BRAVADO INTERNATIONAL GROUP LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (continued)**

### **YEAR ENDED 31 DECEMBER 2020**

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### **3. ACCOUNTING POLICIES (continued)**

#### **Financial instruments (continued)**

##### ***Financial assets and liabilities***

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.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments which meet the following conditions of being 'basic' financial instruments as defined in paragraph 11.9 of FRS 102 are subsequently measured at amortised cost using the effective interest method.

Debt instruments that have no stated interest rate (and do not constitute financing transaction) and are classified as payable or receivable within one year are initially measured at an undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Other debt instruments not meeting conditions of being 'basic' financial instruments are measured at fair value through profit or loss.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

##### ***Investments***

Investments in non-convertible preference shares and non-puttable ordinary or preference shares, where shares are publicly traded or their fair value is reliably measurable, are measured at fair value through profit or loss. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

##### ***Equity instruments***

Equity instruments issued by the company are recorded at the fair value of cash or other resources received or receivable, net of direct issue costs.

##### ***Fair value measurement***

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

# **BRAVADO INTERNATIONAL GROUP LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (continued)**

### **YEAR ENDED 31 DECEMBER 2020**

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#### **3. ACCOUNTING POLICIES (continued)**

##### **Advances**

Advances to artists are written down to the estimated amount that will be recoverable from future royalty payments to the artist. Net advances to artists are classified as falling due within one year within other debtors, although elements may not be recovered until more than one year.

##### **Inventories**

Inventories are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal.

##### **Impairment (excluding inventories and deferred tax assets)**

###### ***Impairment of assets***

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.

###### ***Non-financial assets***

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss previously recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired 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.

###### ***Financial assets***

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.



# **BRAVADO INTERNATIONAL GROUP LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (continued)**

### **YEAR ENDED 31 DECEMBER 2020**

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#### **3. ACCOUNTING POLICIES (continued)**

##### **Interest receivable and Interest payable**

Interest payable and similar charges include interest payable, finance charges, unwinding of the discount on provisions, and net foreign exchange losses that are recognised through profit or loss in the statement of comprehensive income.

Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

Interest income and interest payable are recognised in profit or loss as they accrue. Foreign currency gains and losses are reported on a net basis.

##### **Dividend income**

Dividend income is recognised in the statement of comprehensive income on the date the company's right to receive payments is established.

##### **Taxation**

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised through profit or loss in the statement of comprehensive income 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 year, using tax rates enacted or substantively enacted at the statement of financial position date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries, associated and joint ventures to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the statement of financial position date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

# **BRAVADO INTERNATIONAL GROUP LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (continued)**

### **YEAR ENDED 31 DECEMBER 2020**

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#### **3. ACCOUNTING POLICIES (continued)**

##### **Foreign currencies**

Transactions in foreign currencies are translated to the company's functional currency at the foreign exchange rate ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies at the statement of financial position date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised through profit or loss in the statement of comprehensive income except for differences arising on the retranslation of qualifying cash flow hedges and items which are fair valued with changes taken to other comprehensive income.

##### **Critical accounting judgements and key sources of estimation uncertainty**

The directors may make judgements in the application of the accounting policies above that have a significant impact on the amounts recognised, and may make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

##### **Critical judgements in applying the Group's accounting policies**

The directors have concluded there are no critical judgements to disclose.

##### **Key source of estimation uncertainty**

The directors have concluded there are no key sources of estimation uncertainty to disclose.

**BRAVADO INTERNATIONAL GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**YEAR ENDED 31 DECEMBER 2020**

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**4. TURNOVER**

Turnover by activity is as follows:

	2020 £	2019 £
Merchandise Sales	36,169,924	61,843,282
	<u>36,169,924</u>	<u>61,843,282</u>

**5. OPERATING PROFIT**

Operating profit is stated after charging/(crediting):

	2020 £	2019 £
Auditor's remuneration	61,700	58,800
Impairment of inventories	183,340	478,912
<b>Operating lease costs:</b>		
- Land and buildings	432,520	230,836
Net (loss)/gain on foreign currency translation	<u>223,357</u>	<u>(247,400)</u>

**BRAVADO INTERNATIONAL GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**YEAR ENDED 31 DECEMBER 2020**

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**6. PARTICULARS OF EMPLOYEES**

The company had no employees during the year ended 31 December 2020 (2019 - none).

Emoluments for the directors of the Company are paid for by a fellow group company. The fellow group company has not recharged any amount to the Company (2019: nil) on the basis that they are unable to make a reasonable apportionment of the portion of these total emoluments that relate to qualifying services provided by directors of the Company.

**7. INTEREST RECEIVABLE AND SIMILAR INCOME**

	2020 £	2019 £
Interest receivable from group undertakings	108,743	335,820
	<u>108,743</u>	<u>335,820</u>

**8. INTEREST PAYABLE AND SIMILAR CHARGES**

	2020 £	2019 £
Interest payable to group undertakings	12,979	14,412
	<u>12,979</u>	<u>14,412</u>

**BRAVADO INTERNATIONAL GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**YEAR ENDED 31 DECEMBER 2020**

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**9. TAX ON PROFIT**

**(a) Analysis of tax charge in the year**

	2020 £	2019 £
<b>Current tax:</b>		
<b>UK Taxation</b>		
In respect of the year		
UK Corporation tax based on the results for the year at 19.00% (2019 - 19.00%)	5,031	2,082
Group relief payable/(receivable) for losses claimed from/surrendered to other group undertakings	570,923	1,143,378
Double taxation relief	(5,031)	(2,082)
Foreign tax on current tax for the year	5,031	2,082
Total current tax	<u>575,954</u>	<u>1,145,460</u>
<b>Deferred tax:</b>		
Other	148	5,198
Total deferred tax	<u>148</u>	<u>5,198</u>
Tax on profit	<u>576,102</u>	<u>1,150,658</u>

**BRAVADO INTERNATIONAL GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**YEAR ENDED 31 DECEMBER 2020**

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**9. TAX ON PROFIT (continued)**

**(b) Factors affecting current tax charge**

The tax assessed on the profit for the year is the same as the standard rate of corporation tax in the UK of 19.00% (2019 - 19.00%).

Under the Finance Act 2016, the main rate of corporation tax was reduced from 19% to 17% effective from 1 April 2020. However, a change to the main UK corporation tax rate, announced in the Budget on 11 March 2020, was substantively enacted for IFRS and UK GAAP purposes on 17 March 2020. The rate applicable from 1 April 2020 now remains at 19%, rather than the previously enacted reduction to 17%. Deferred tax assets and liabilities are measured at the rate that is enacted and expected to apply to the accounting period when the asset is realised or the liability is settled, based on the above rates. An increase to the main rate of corporation tax to 25% for large businesses was announced in the Spring Budget but has not yet been substantively enacted.

Deferred tax assets and liabilities are measured at the rate that is enacted and expected to apply to the accounting period when the asset is realised or the liability is settled, based on the above rates.

	2020 £	2019 £
Profit before taxation	3,050,225	6,019,675
Profit at the standard rate of UK Corporation tax of 19.00% (2019 - 19.00%)	579,543	1,143,738
Expenses not deductible for tax purposes	1,175	7,531
Double tax relief	(5,031)	(2,082)
Foreign tax suffered in the period	5,031	2,082
Impact of statutory rate change	(4,616)	(611)
Current tax charge for the financial year	576,102	1,150,658

**BRAVADO INTERNATIONAL GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**YEAR ENDED 31 DECEMBER 2020**

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**10. INVESTMENTS**

**Subsidiary Undertakings**

The subsidiaries of Bravado International Group Limited as at 31 December 2020 are set out below. All of the subsidiaries were incorporated in England and Wales and have a registered office address of 4 Pancras Square, London N1C 4AG.

<b>Name</b>	<b>Country of Incorporation</b>	<b>Ordinary Share holding %</b>	<b>Nature of Business</b>
Concessions Management International Limited	United Kingdom	100%	Concession company

**11. INVENTORIES**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Finished goods	<b><u>475,227</u></b>	<b><u>320,015</u></b>

The difference between the purchase price or production cost of stock and their replacement cost is not material.

**BRAVADO INTERNATIONAL GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**YEAR ENDED 31 DECEMBER 2020**

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**12. DEBTORS: Amounts due within one year**

	2020 £	2019 £
Trade debtors	1,216,239	1,692,934
Amounts owed by group undertakings	31,920,404	27,743,485
VAT recoverable	122,820	536,097
Other debtors	5,493,903	5,094,403
Prepayments and accrued income	1,196,164	3,801,894
Deferred taxation (note 14)	39,081	39,229
	<u>39,988,611</u>	<u>38,908,042</u>

All interest-bearing loans and borrowings are initially recognised at net proceeds. Interest bearing debt is increased by the finance cost in respect of the reporting period by any settlement made. Interest is charged and earned on a fixed element of the debt at an arms length rate.

All (other) amounts owed by/to group undertakings are due to UK undertakings, are unsecured and repayable on demand. Interest accrues on these amounts excluding group relief at rates between 1 month LIBOR and 1 month LIBOR plus 1%.

**13. CREDITORS: Amounts falling due within one year**

	2020 £	2019 £
Trade creditors	1,600,239	2,050,700
Amounts owed to group undertakings	11,791,471	10,070,019
Other creditors	5,920,367	5,324,291
Accruals and deferred income	3,146,109	6,252,919
	<u>22,458,186</u>	<u>23,697,929</u>

All interest-bearing loans and borrowings are initially recognised at net proceeds. Interest bearing debt is increased by the finance cost in respect of the reporting period by any settlement made. Interest is charged and earned on a fixed element of the debt at an arms length rate.

All (other) amounts owed by/to group undertakings are due to UK undertakings, are unsecured and repayable on demand. Interest accrues on these amounts excluding group relief at rates between 1 month LIBOR and 1 month LIBOR plus 1%.



**BRAVADO INTERNATIONAL GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**YEAR ENDED 31 DECEMBER 2020**

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**14. DEFERRED TAXATION**

The movement in the deferred taxation account during the year was:

	2020 £	2019 £
Balance brought forward	39,229	44,427
Deferred taxation on ordinary activities account movement arising during the year	(148)	(5,198)
Provision carried forward	<u>39,081</u>	<u>(39,229)</u>

Deferred taxation consists of the tax effect of timing differences in respect of:

	2020 £	2019 £
Excess of depreciation over taxation allowances	21,701	23,679
Other timing differences	17,380	15,550
	<u>39,081</u>	<u>39,229</u>

The deferred tax is included in the statement of financial position is as follows:

	2020 £	2019 £
Included in debtors (note 12)	<u>39,081</u>	<u>39,229</u>

**15. POST BALANCE SHEET EVENTS**

No post balance sheet events have been identified by management.

**16. CAPITAL COMMITMENTS**

The company had no capital commitments at 31 December 2020 or 31 December 2019.

**17. CONTINGENT LIABILITIES**

The company had no contingent liabilities at 31 December 2020 or 31 December 2019.

**18. RELATED PARTY TRANSACTIONS**

The company has taken advantage of the exemption in FRS 102 Section 33 not to disclose related party transactions in the financial statements.

**BRAVADO INTERNATIONAL GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**YEAR ENDED 31 DECEMBER 2020**

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**19. SHARE CAPITAL**

**Authorised:**

	2020		2019	
	No	£	No	£
Ordinary shares of £1 each	100,000	100,000	100,000	100,000
	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>

**Allotted, called up and fully paid:**

	2020		2019	
	No	£	No	£
Ordinary shares of £1 each	100	100	100	100
	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

**20. ULTIMATE PARENT COMPANY**

The immediate parent undertaking is Universal SRG Group Limited. The ultimate parent undertaking and controlling party as at 31 December 2020.

The smallest group in which the results of the company are consolidated is that headed by Vivendi SE, a company incorporated in France. Copies of its annual report in English may be obtained from:

42 Avenue de Friedland  
 75380 Paris  
 Cedex 08  
 France

The largest group in which the results of the company are consolidated is that headed by Bolloré Group, a company incorporated in France. Copies of its annual report in English may be obtained from:

Tour Bolloré  
 31-32 quai de Dion Bouton  
 92 811 Puteaux  
 France