

COMPANY REGISTRATION NUMBER: 02964898

Regal Brand Management Limited

**Directors' Report and Financial Statements for the Year Ended
31 December 2022**

Regal Brand Management Limited

Financial Statements

Year ended 31 December 2022

Contents	Pages
Directors' report	1 to 2
Independent auditor's report to the member	3 to 6
Statement of income and retained earnings	7
Statement of financial position	8 to 9
Notes to the financial statements	10 to 15

Regal Brand Management Limited

Directors' Report

Year ended 31 December 2022

The directors present their report and the financial statements of the company for the year ended 31 December 2022 .

DIRECTORS

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

James Albert Phillips

Stephen Paul Adams

Ryan James Foxon

DIVIDENDS

The directors do not recommend the payment of any dividends.

EVENTS AFTER THE END OF THE REPORTING PERIOD

Particulars of events after the reporting date are detailed in note 10 to the financial statements.

DIRECTORS' RESPONSIBILITIES STATEMENT

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 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). 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 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 judgments and accounting estimates that are reasonable and prudent; - state whether applicable accounting policies 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. Each of the persons who is a director at the date of approval of this report confirms that: - so far as he is aware, there is no relevant audit information of which the Company's auditor is unaware; and - he has taken all 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. **AUDITORS**

The auditors, Anderson Ross LLP, have expressed their willingness to continue in office and a resolution to appoint them will be proposed at the annual general meeting in accordance with section 485 of the Companies Act 2006.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board of directors on 29 November 2023 and signed on behalf of the board by:

James Albert Phillips Director

Regal Brand Management Limited

Independent Auditor's Report to the Member of Regal Brand Management Limited

Year ended 31 December 2022

OPINION

We have audited the financial statements of Regal Brand Management Limited (the 'Company') for the year ended 31 December 2022 which comprise the Statement of income and retained earnings, Statement of financial position and the related notes, 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 issued by the Financial Reporting Council ('FRS 102') (altogether known as United Kingdom Generally Accepted Accounting Practice – 'UK GAAP'). In our opinion the financial statements: - give a true and fair view of the state of the Company's affairs as at 31 December 2022 and of its profit for the year then ended; - have been properly prepared in accordance with UK GAAP; and - have been properly prepared in accordance with the requirements of the Companies Act 2006 (the 'Act').

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 remained 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 Financial Reporting Council's Ethical Standard, and the provisions available for small entities in the circumstances set out in Note 3, 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

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.

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.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the Directors' 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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. We have nothing to report in respect of the following matters in relation to which the Act requires us to report to you if, in our opinion: - adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or - the Company's 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 and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the directors' responsibilities statement set out on page 2, 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 has no realistic alternative but to do so.

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. **EXTENT TO WHICH THE AUDIT WAS 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. The inherent limitations of an audit mean that there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with laws and regulations. This risk increases the more that compliance is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities due to fraud than error, as fraud may involve intentional concealment, forgery, collusion, omission or misrepresentation. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with those charged with governance and management. Our approach in identifying and assessing the risks of material misstatement in respect of irregularities, including fraud, and non-compliance with laws and regulations, was as follows: - We obtained an understanding of the nature of the industry and sector, including the legal and regulatory frameworks, that the entity operates in and how it is complying with those frameworks through discussions with management and our wider knowledge and experience. We considered the laws and regulations we identified in our planning of the audit. We determined that the most significant are FRS 102 and the Act, as well as tax compliance regulations in the United Kingdom. - We assessed the susceptibility of the financial statements to material misstatement, including how fraud might occur, through internal team discussions and by making enquiries of management as to where they considered there was susceptibility to fraud, and their knowledge of actual suspected and alleged fraud. We considered the fraud risk around revenue, which is specifically linked to the risk of management override. - In common with all audits performed under ISAs (UK), we considered the risk of management override by sampling from the entire population of journals, identifying specific transactions which did not meet our expectations based on specific criteria, and investigated these to gain an understanding and then agreed them to source documentation. We assessed whether the judgments and assumptions applied by management and those charged with governance in making accounting estimates were indicative of potential bias and evaluated the business rationale of significant transactions that were unusual or outside the normal course of business. - Based on the understanding so gained, we designed our audit procedures to identify non-compliance with the said laws and regulations. Our procedures involved verifying that the material transactions were recorded in compliance with FRS 102 and, where applicable, the Act. A further description of our responsibilities for the audit of the financial statements is located on the website of the Financial Reporting Council at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report. **USE OF OUR REPORT**

This report is made solely to the Company's member, as a body, in accordance with Chapter 3 of Part 16 of the Act. Our audit work has been undertaken so that we might state to the Company's member those matters we are required to state to it 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 member as a body, for our audit work, for this report, or for the opinions we have formed.

Naraidoo Savomy FCA FCCA CTA

(Senior Statutory Auditor)

For and on behalf of

Anderson Ross LLP

Statutory Auditor

22 West Green Road

London

United Kingdom, N15 5NN

29 November 2023

Regal Brand Management Limited
Statement of Income and Retained Earnings
Year ended 31 December 2022

	2022	2021
	£	£
Turnover	10,722,448	11,508,536
Cost of sales	(8,360,296)	(8,973,209)
Gross profit	2,362,152	2,535,327
Distribution costs	(651,153)	(672,409)
Administrative expenses	(1,779,179)	(2,447,074)
Other operating income	1,224,745	1,744,183
Operating profit	1,156,565	1,160,027
Other interest receivable and similar income	22,008	16,907
Interest payable and similar expenses	(161,453)	(183,889)
Profit before taxation	6 1,017,120	993,045
Tax on profit	(206,069)	(188,679)
Profit for the financial year and total comprehensive income	811,051	804,366
Retained earnings at the start of the year	3,531,872	2,727,506
Retained earnings at the end of the year	4,342,923	3,531,872

All the activities of the company are from continuing operations.

Regal Brand Management Limited

Statement of Financial Position

31 December 2022

		2022	2021
	Note	£	£
Fixed assets			
Tangible assets	7	31,002	33,857
Current assets			
Stocks		2,346,819	4,181,282
Debtors	8	5,137,472	5,920,890
Cash at bank and in hand		3,030,450	3,328,340
		-----	-----
		10,514,741	13,430,512
Creditors: amounts falling due within one year	9	(6,197,125)	(9,926,522)
		-----	-----
Net current assets		4,317,616	3,503,990
		-----	-----
Total assets less current liabilities		4,348,618	3,537,847
Provisions		(4,695)	(4,975)
		-----	-----
Net assets		4,343,923	3,532,872
		-----	-----

Regal Brand Management Limited

Statement of Financial Position *(continued)*

31 December 2022

	2022	2021
	Note	
	£	£
Capital and reserves		
Called up share capital	1,000	1,000
Profit and loss account	4,342,923	3,531,872
	-----	-----
Shareholder funds	4,343,923	3,532,872
	-----	-----

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

These financial statements were approved by the board of directors and authorised for issue on 29 November 2023 , and are signed on behalf of the board by:

James Albert Phillips

Director

Company registration number: 02964898

Regal Brand Management Limited

Notes to the Financial Statements

Year ended 31 December 2022

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Unit 8, Trafalgar Business Centre, 77-89 River Road, Barking, Essex, IG11 0JU.

2. Statement of compliance

The financial statements have been prepared in compliance with the United Kingdom Accounting Standards, including the Financial Reporting Standard 102, The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland ('FRS 102') issued by the Financial Reporting Council and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the going concern basis and in accordance with the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss. The financial statements are prepared in pound sterling, which is the functional currency of the entity.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of J.A. Phillips Holdings Limited which can be obtained from the latter's registered office at Unit 8, Trafalgar Business Centre, 77-89 River Road, Barking, Essex, IG11 0JU. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102: (a) No disclosure has been given for the aggregate remuneration of key management personnel. (b) No disclosure has been made for related party transactions with the parent company and its fellow subsidiaries.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Significant judgements The following judgement (apart from those involving estimates) has had the most significant effect on the amounts recognised in the financial statements is as follows: - Determine whether there are indicators of impairment of the company's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the assets and the viability and expected future performance of the assets. Key sources of estimation uncertainty The key assumption and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities is as follows: - Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on the number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessment considers issues such as future market conditions, the remaining life of the asset and projected disposal values.

Revenue recognition

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax. Turnover is recognised when the risks and rewards of ownership are transferred to the customer, which is at the point of sale (or on despatch for delivered items).

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Foreign currencies

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are re-translated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured at historical cost in a foreign currency are not re-translated. Exchange differences arising on the settlement of monetary items and on the retranslation of monetary items are taken to the profit and loss account. Exchange differences arising on non-monetary items, carried at fair value, are included in the profit and loss account, except for the differences arising on the retranslation of non-monetary items in respect of which gains and losses are recorded in equity. For such non-monetary items, any exchange component of that gain or loss is also recognised directly in equity.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings	-	15% reducing balance
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Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received. Government grants are recognised using the accrual model and the performance model. Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable. Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset. Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities. Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability. Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund. When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Auditor's remuneration

	2022	2021
	£	£
Fees payable for the audit of the financial statements	10,500	10,500
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5. Employee numbers

The average number of persons employed by the company during the year amounted to 22 (2021: 22).

6. Profit before taxation

Profit before taxation is stated after charging:

	2022	2021
	£	£
Depreciation of tangible assets	5,471	5,974
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7. Tangible assets

	Fixtures and fittings
	£
Cost	
At 1 January 2022	260,334
Additions	2,616

At 31 December 2022	262,950

Depreciation	
At 1 January 2022	226,477
Charge for the year	5,471

At 31 December 2022	231,948

Carrying amount	
At 31 December 2022	31,002

At 31 December 2021	33,857

8. Debtors

	2022	2021
	£	£
Trade debtors	4,245,596	5,069,924
Amounts owed by group undertakings and undertakings in which the company has a participating interest	594,786	631,894
Other debtors	297,090	219,072
	-----	-----
	5,137,472	5,920,890
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Included in trade debtors is an amount of £2,393,599 (2021: £2,565,533) relating to advance payments for stock.

9. Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	184,777	303,691
Amounts owed to group undertakings and undertakings in which the company has a participating interest	5,446,695	9,221,162
Corporation tax	179,831	147,393
Social security and other taxes	367,222	224,107
Other creditors	18,600	30,169
	-----	-----
	6,197,125	9,926,522
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10. Events after the end of the reporting period

Due to a breakdown in relationship with one of the Company's main supplier, the directors believe that this will significantly affect the company's revenue during next year and onwards. The company is currently being restructured but it has full support of the Parent company.

11. Controlling party

The company is wholly owned by J.A. Phillips Holdings Limited, a company registered in England and Wales. The parent undertaking of the group which includes the company and for which group accounts are prepared is J.A. Phillips Holdings Limited. Copies of the group financial statements are available from Companies House, Crown Way, Mandy, Cardiff, CF14 3UZ.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.