

Thorn (IP) Limited

Director's report and financial statements

Registered number 03114589

31 December 2020



Thorn (IP) Limited
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Year ended 31 December 2020

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Thorn (IP) Limited
Officers and Registered Office
Year ended 31 December 2020

DIRECTOR

M A Webberley

REGISTERED OFFICE

Point 3
Haywood Road
Warwick
CV34 5AH

Thorn (IP) Limited
Director's Report
Year ended 31 December 2020

The Director presents the annual report and financial statements of Thorn (IP) Limited, registered number 03114589 ("the Company") for the year ended 31 December 2020.

Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Principal activity

The principal activity of the Company is the ownership and licensing of intellectual property. The Company owns over 200 trademarks for the Carmelite Investments Limited ("CIL") Group, relating to the "Thorn" brand, in more than 100 territories worldwide. However, the majority of its trademark rights have been licensed to companies, all of which are former members of the CIL Group, or prior to acquisition by CIL, the Thorn plc group of companies and before that, the THORN EMI plc group of companies.

The majority of licences are held by Zumtobel GmbH, a wholly owned subsidiary of Zumtobel AG, a company incorporated in Austria, and are held by it in-perpetuity and royalty free. The Company has no right to cancel these licences and an obligation to renew registrations, creating a long-term commitment in respect of the renewal and registration of these trademarks. Certain other licences granted by the Company have the potential to attract royalties that are normally dependent on licensee turnover, and are subject to periodic renewal.

Business review

The Company did not trade during the current or previous year. No royalties were received during the current and previous year and operating expenses during both years were all borne by Carmelite Property Management Limited, the immediate parent undertaking.

The Director did not recommend the payment of a dividend (2019: £nil).

The value of the trademarks has not been recognised in the financial statements as they are an internally developed intangible asset for which there is no readily ascertainable market value.

The Company has been dormant, as defined in section 1169 of the Companies Act 2006, throughout the year. It is anticipated that the Company will remain dormant for the foreseeable future.

During the year, the Company's subsidiary undertaking, Thorn Limited, which was held at nil net book value, was placed into members' voluntary liquidation.

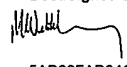
Directors

The Director who held office during the year and subsequently is M A Webberley.

Auditors

In accordance with section 480 of the Companies Act 2006 the company is exempt from the obligation to appoint auditors.

By Order of the Board

DocuSigned by:

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M A Webberley
Director

Date: 4 May 2021

Thorn (IP) Limited
Profit and Loss Account
Year ended 31 December 2020

The Company did not trade during the year and has made neither a profit nor a loss, nor any other recognised gain or loss. There were no recognised gains or losses in the prior year other than the profit for that year. Accordingly, no statement of comprehensive income has been prepared.

Thorn (IP) Limited
Balance Sheet
As at 31 December 2020

	Note	2020 £000	2019 £000
Fixed assets			
Investments	6	-	-
Current assets			
Debtors	7	1	1
Net assets		<u>1</u>	<u>1</u>
Capital and reserves			
Called up share capital	8	1	1
Profit and loss account		-	-
Shareholder's funds		<u>1</u>	<u>1</u>

The accompanying notes form an integral part of these financial statements.

The Company did not trade during the current year and has made neither a profit nor a loss, nor any other recognised gain or loss.

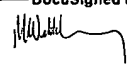
For the financial year ending 31 December 2020 the Company was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant companies.

Director's responsibilities:

- The members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006; and
- The Director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

These financial statements were approved by the Director on 4 May 2021.

DocuSigned by:

5AD92FAD84CA4B7...
M A Webberley
Director

Thorn (IP) Limited
Notes to the Financial Statements
Year ended 31 December 2020

1 Accounting policies

Thorn (IP) Limited is a company limited by shares and incorporated and domiciled in the UK.

These financial statements have been prepared in accordance with Financial Reporting Standard 102 ("FRS 102").

The financial statements are prepared in Sterling which is the functional currency of the Company and under the historical cost convention.

In these financial statements, the Company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS102 in respect of the following disclosures:

- Cash flow statement and related notes;
- Key management personnel compensation;

Group financial statements

The Company is exempt by virtue of Section 399 of the Companies Act 2006 from the requirement to prepare group accounts. These financial statements therefore present information about the Company as an individual undertaking and not about its group.

Taxation

Taxation on profit on ordinary activities is that which has been paid or becomes payable in respect of profits for the year.

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income or expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Dormant company

The Company did not trade during both the current and the preceding years and received no income and incurred no expenditure. Consequently, during those years the Company made neither a profit nor a loss.

2 Accounting estimates and judgements

In the application of the Company's accounting policies, which are described in Note 1, the Director is required to make judgements, 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 which 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.

The Director has reviewed the estimates and underlying assumptions used in preparing these accounts and, in his opinion, there are no critical estimates and judgements to disclose.

Thorn (IP) Limited
Notes to the Financial Statements
Year ended 31 December 2020

3 Remuneration of directors

The Director received no remuneration during the year in respect of services to the Company (year ended 31 December 2019: £nil).

4 Staff numbers and costs

The Company has no employees and therefore incurs no wages or salary costs (2019: none).

5 Taxation

The Company did not trade during the current or previous year and consequently had no chargeable income or expenditure in either year.

The Company has the following timing differences which may give rise to reduced tax charges in the future:

Tax losses as at 31 December 2020 amounted to £75,000 (£14,250 tax value) (31 December 2019: £75,000, £12,700 tax value) which are available for offset against future income. No deferred tax asset has been recognised in respect of these losses, as the ability of the Company to obtain tax relief is dependent on suitable profits arising in the future, which cannot be estimated with sufficient certainty.

The substantively enacted corporation tax rate at 31 December 2020 was 19% (2019: 17%).

6 Investment in subsidiaries

The Company owns 100% of the issued share capital of Thorn Limited as at 31 December 2020. The company was acquired for £1 and has not traded since acquisition on 16 April 2009. The company was placed into members' voluntary liquidation on 26 November 2020. Thorn Limited is incorporated in England and the registered office is 8th Floor, Temple Point, 1 Temple Row, Birmingham, B2 5LG.

7 Debtors

	2020	2019
	£000	£000
Amounts due from fellow group undertakings	<u>1</u>	<u>1</u>

Amounts due from fellow group undertakings comprise an interest free trading balance with Carmelite Property Management Limited.

8 Called up share capital

	2020	2019
	£000	£000
<i>Allotted, called up and fully paid</i>		
1,000 ordinary shares of £1 each	<u>1</u>	<u>1</u>

Thorn (IP) Limited
Notes to the Financial Statements
Year ended 31 December 2019

9 Contingent liabilities

The Company has long-term commitments in respect to the renewal and registration of trademarks in a number of territories where licences to use the Thorn trademark have been granted to parties outside the CIL Group. The Company has no right to cancel the licences granted in-perpetuity and has an obligation to renew the trademark registrations that have been licensed if requested to do so by the licensee. Where licences have been granted royalty free, the Company only pays a small proportion of the costs. The expenses in both the current and preceding year have been borne by Carmelite Property Management Limited, the immediate parent undertaking.

The Director has concluded that in view of the opportunities available to mitigate this obligation by assigning the trademarks to the licensees or other forms of disposal and the uncertainty regarding the future liability in a number of territories where there may be no requirement to renew trademarks on expiry of the current registration, there is no need to make a provision in the financial statements in respect of this obligation.

10 Ultimate parent company and parent undertaking of larger group

The Director regards Co-Investment Guernsey Limited ("CIGL") as the controlling party.

The Director regards Tusk Investments LP Inc ("Tusk LP"), a Guernsey incorporated limited partnership, as the ultimate parent and ultimate controlling party. Tusk LP owns 100% of the issued share capital of CIGL.

The registered office of Tusk LP is Ground Floor Western Suite, Mill Court, La Charroterie, St Peter Port, Guernsey, GY1 1EJ.