

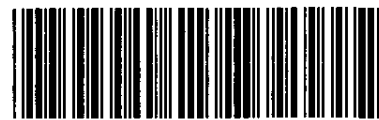
Registered number
03701249

Brodie and Stone International Ltd

Report and Accounts

31 March 2022

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Brodie and Stone International Ltd
Report and accounts
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Brodie and Stone International Ltd
Company Information

Directors

Michael S Eggerton (resigned 24 September 2021)
Daniel Mitchell (resigned 24 September 2021)

Mr B J M Johnson (appointed 24 September 2021)
Mr E Murphy (appointed 24 September 2021)
Ms P B E Clark (appointed 24 September 2021)
Mr N D J O'Shea (appointed 24 September 2021)

Secretary

Daniel Mitchell (resigned 24 September 2021)

Mr N D J O'Shea (appointed 24 September 2021)

Trading Address

1210 Lincoln Road,
Peterborough,
England
PE4 6ND

Registered office

1210 Lincoln Road,
Peterborough,
England
PE4 6ND

Registered number

03701249

Brodie and Stone International Ltd
Registered number: 03701249
Directors' Report

The directors present their report and accounts for the 15 month period ended 31 March 2022.

Principal activities

The company's principal activities during the period continued to be the marketing, distribution and sale of beauty and personal care products to UK retail, E-commerce and International Markets.

During the reporting period the trade and assets were transferred to Potter and Moore Innovations Limited.

Directors' indemnity

Appropriate directors' and officers' liability insurance cover is in place in respect of all the company's directors within the ultimate controlling undertaking; Creightons PLC.

Directors' responsibilities

The directors are responsible for preparing the report and accounts in accordance with applicable law and regulations.

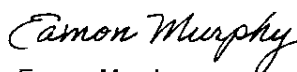
Company law requires the directors to prepare accounts for each financial year. Under that law the directors have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts 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 accounts 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.

Small company provision

This report has been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies' regime.



Eamon Murphy
Director

Approved by the board

on...21.12.22...

Brodie and Stone International Ltd
Statement of total comprehensive income
for the period ended 31 March 2022

	Note	15 month period to 31 March 2022 £	12 month period to 31 December 2020 £
Turnover		3,407,909	5,849,858
Cost of sales		<u>(2,241,986)</u>	<u>(3,649,841)</u>
Gross profit		1,165,923	2,200,017
Administrative expenses		<u>(1,751,519)</u>	<u>(1,641,842)</u>
Operating (Loss)/Profit		(585,596)	558,175
Inter-company loan written back/(off)	18	1,690,056	990,750
Interest payable		-	(20,215)
Profit before taxation		1,104,460	1,528,710
Tax on profit/(loss)	13	-	-
Profit for the financial period		<u>1,104,460</u>	<u>1,528,710</u>
Other comprehensive income		-	-
Total comprehensive income		<u>1,104,460</u>	<u>1,528,710</u>

Brodie and Stone International Ltd**Registered number: 03701249****Balance Sheet****as at 31 March 2022**

	Notes	31 March 2022 £	31 Dec 2020 £
Fixed assets			
Intangible assets	7	-	612,481
Tangible assets	8	-	34,018
		-	646,499
Current assets			
Stocks	9	-	263,388
Debtors	10	701,563	1,728,621
Cash at bank and in hand		203,207	696
		904,770	1,992,705
Creditors: amounts falling due within one year	11	(43,069)	(2,880,449)
Net current Assets/(liabilities)		861,701	(887,744)
Total assets less current liabilities		861,701	(241,245)
Creditors: amounts falling due after more than one year	12	-	(1,514)
Net liabilities		861,701	(242,759)
Capital and reserves			
Called up share capital	15	50,000	50,000
Profit and loss account	16	811,701	(292,759)
Shareholders' funds / (deficit)		861,701	(242,759)

For the period ending 31 March 2022 the company was entitled to exemption from audit under section 479A if Companies Act 2006 relating to subsidiary companies. The members have not required the company to obtain an audit of its accounts for the period in question in accordance with section 476; the directors acknowledge their responsibilities for complying with the requirements of the Act with respect to the accounting records and the preparation of accounts.

The financial statements on pages 3 to 6 were approved and authorised for issue by the Board of

Directors on... 21.12.22.



Eamon Murphy
Director

Brodie and Stone International Ltd
Statement of Changes in Equity
for the period ended 31 March 2022

	Share capital	Profit and loss account	Total
	£	£	£
At 1 January 2020	50,000	(1,821,469)	(1,771,469)
Profit for the financial year		1,528,710	1,528,710
At 31 December 2020	<u>50,000</u>	<u>(292,759)</u>	<u>(242,759)</u>
At 1 January 2021	<u>50,000</u>	<u>(292,759)</u>	<u>(242,759)</u>
Profit for the financial period		1,104,460	1,104,460
At 31 March 2022	<u>50,000</u>	<u>811,701</u>	<u>861,701</u>

Brodie and Stone International Ltd
Notes to the Accounts
for the period ended 31 March 2022

1 General Information

Brodie and Stone International Ltd ("the Company") is a private company limited by shares, incorporated in England and Wales under the Companies Act.

The registered number and address of the registered office is given in the Company information.

The functional and presentational currency of the Company is pounds sterling (£) and rounded to the nearest whole pound.

2 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (See note 3).

The financial statements have been prepared on a going concern basis under the historical cost convention.

Financial Reporting Standard 102 – Reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirement of Section 3 Financial Statement Presentation paragraph 3.17 (d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29 (a), 12.29(b) and 12.29A;
- the requirements of Section 25 Share-based Payment. Paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7
- the requirements of Section 9 Consolidated accounts paragraph 9.3

The Company is exempt from preparing consolidated accounts under section 400 of the Companies Act 2006. In addition, as the consolidated financial statements of the parent undertaking, Potter and Moore Innovations Limited, include the equivalent disclosures, the Company has also taken the exemptions available in respect of the preparation of consolidated financial statements in accordance with FRS 102 section 1.10.

Reporting period

On 24th September 2021 all the share capital of Brodie and Stone International Ltd was acquired by Potter and Moore Innovations Limited a subsidiary of Creightons PLC. To align its reporting date with that of its parent, Brodie and Stone International Ltd extended the end of its annual reporting period from 31 December 2021 to 31 March 2022. Amounts presented are for a 15 month period. Comparative figures are for a 12 month period.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods. Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs.

Brodie and Stone International Ltd
Notes to the Accounts
for the period ended 31 March 2022

Intangible fixed assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortization and accumulated impaired losses. Goodwill is amortised on a straight line basis to the Statement of Comprehensive Income over its useful economic life

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulative amortisation and any accumulated impaired losses.

All intangible assets are considered to have a finite useful life. Intangible assets are amortised over their useful life as follows:

Patents	over	30	years
Goodwill	over	30	years
Web design	At	15%	Reducing balance

Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impaired loss. Historical costs include expenditure that is directly attributed to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Short-term leasehold property	15%	reducing balance
Fixtures and fittings	15%	reducing balance
Office equipment	33%	reducing balance

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of asset less their residual value over their estimated useful lives, on reducing balance basis.

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposal are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

Brodie and Stone International Ltd
Notes to the Accounts
for the period ended 31 March 2022

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell.

Debtors

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts. Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, less any impairment losses for bad and doubtful debts.

Creditors

Short term creditors are measured at transaction price (which is usually the invoice price). Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

Taxation

A current tax liability is recognised for the tax payable on the taxable profit of the current and past periods. A current tax asset is recognised in respect of a tax loss that can be carried back to recover tax paid in a previous period. Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments. Unrelieved tax losses and other deferred tax assets are recognised only 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 and that are expected to apply to the reversal of the timing difference, except for revalued land and investment property where the tax rate that applies to the sale of the asset is used. Current and deferred tax assets and liabilities are not discounted.

Provisions

Provisions (ie liabilities of uncertain timing or amount) are recognised when there is an obligation at the reporting date as a result of a past event, it is probable that economic benefit will be transferred to settle the obligation and the amount of the obligation can be estimated reliably.

Foreign currency translation

Transactions in foreign currencies are initially recognised at the rate of exchange ruling at the date of the transaction. At the end of each reporting period foreign currency monetary items are translated at the closing rate of exchange. Non-monetary items that are measured at historical cost are translated at the rate ruling at the date of the transaction. All differences are charged to profit or loss.

Leased assets

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. All other leases are classified as operating leases. The rights of use and obligations under finance leases are initially recognised as assets and liabilities at amounts equal to the fair value of the leased assets or, if lower, the present value of the minimum lease payments. Minimum lease payments are apportioned between the finance charge and the reduction in the outstanding liability using the effective interest rate method. The finance charge is allocated to each period during the lease so as to produce a constant periodic rate of interest on the remaining balance of the liability. Leased assets are depreciated in accordance with the company's policy for tangible fixed assets. If there is no reasonable certainty that ownership will be obtained at the end of the lease term, the asset is depreciated over the lower of the lease term and its useful life. Operating lease payments are recognised as an expense on a straight line basis over the lease term.

Brodie and Stone International Ltd
Notes to the Accounts
for the period ended 31 March 2022

Pensions

Contributions to defined contribution plans are expensed in the period to which they relate.

3 Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of financial statements requires management to exercise judgement in applying accounting policies. It also requires the use of estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. The accounting policies for revenue recognition, stock and taxation are disclosed below.

The directors deem there have been no critical estimations made in the process of applying the Company's accounting policies that would have a significant effect on the amounts recognised in the financial statements.

4 Operating profit

Operating profit for the period is stated after charging:

	31 March 2022	31 Dec 2020
	£	£
Depreciation of assets	34,018	9,121
Amortisation of intangible assets included within administration costs	612,480	49,113
Net foreign exchange loss	899	12,420
Accountancy fees	22,686	16,168

5 Employees

	31 March 2022	31 Dec 2020
	£	£
Average number of persons employed by the company	5	6

	31 March 2022	31 Dec 2020
	£	£
Wages and salaries	182,754	329,595
Social security costs	23,940	23,940
Costs of defined contribution scheme	7,327	9,824
	214,021	342,359

There were no persons employed after the acquisition of Brodie and Stone International Ltd.

Brodie and Stone International Ltd
Notes to the Accounts
for the period ended 31 March 2022

6 Directors' Remuneration

	31 March 2022	31 Dec 2020
	£	£
Directors' emoluments	43,188	131,929
	<u>43,188</u>	<u>131,929</u>

The director's remuneration relates to the directors pre acquisition of Brodie and Stone International Ltd by Potter and Moore Innovations Limited. None of the current directors received emoluments in the current year.

7 Intangible fixed assets

	Patents	Web design	Goodwill	Total
	£	£	£	£
Cost				
At 1 January 2021	650,000	9,445	800,000	1,459,445
Disposals	(650,000)	(9,445)	(800,000)	(1,459,445)
At 31 March 2022	-	-	-	-
Amortisation				
At 1 January 2021	287,083	5,453	554,428	846,964
Provided during the period	-	-	-	-
Disposals	(287,083)	(5,453)	(554,428)	(846,964)
At 31 March 2022	-	-	-	-
Net book value				
At 31 March 2022	-	-	-	-
At 31 December 2020	362,917	3,992	245,572	612,481

During the year, Intangible fixed assets have been disposed of prior to the acquisition of Brodie and Stone International Ltd by Potter and Moore Innovations Limited.

Brodie and Stone International Ltd
Notes to the Accounts
for the period ended 31 March 2022

8 Tangible fixed assets

	Leasehold property and improvements £	Office equipment £	Fixtures, fittings, tools and equipment £	Total £
Cost				
At 1 January 2021	26,062	92,848	39,105	158,015
Disposals	(26,062)	(92,848)	(39,105)	(158,015)
At 31 March 2022	-	-	-	-
Depreciation				
At 1 January 2021	15,217	82,110	26,670	123,997
Charge for the period	-	-	-	-
Disposals	(15,217)	(82,110)	(26,670)	(123,997)
At 31 March 2022	-	-	-	-
Net book value				
At 31 March 2022	-	-	-	-
At 31 December 2020	10,845	10,738	12,435	34,018

9 Stocks

	31 March 2022 £	31 Dec 2020 £
Finished goods	-	263,388
	-	263,388

During the year, the trade and assets of the business were transferred over to Potter and Moore Innovations Limited.

10 Debtors

	31 March 2022 £	31 Dec 2020 £
Trade debtors	-	766,955
Amounts owed by group undertakings	701,563	911,059
Other debtors	-	50,607
	701,563	1,728,621

Amounts owed from the group undertaking are unsecured, are interest free and repayable on demand.

Brodie and Stone International Ltd
Notes to the Accounts
for the period ended 31 March 2022

11 Creditors: amounts falling due within one year

	31 March 2022 £	31 Dec 2020 £
Bank loans and overdraft	-	708,174
Obligations under finance lease and hire purchase contracts	-	1,209
Trade creditors	-	163,555
Amounts owed to group undertakings	-	-
Taxation and social security costs	43,069	237,861
Other creditors	-	1,769,650
	<u>43,069</u>	<u>2,880,449</u>

Amounts owed by group undertakings are unsecured, are interest free and are repayable on demand.

12 Creditors: amounts falling due after one year

	31 March 2022 £	31 Dec 2020 £
Obligations under finance lease and hire purchase contracts	-	1,514
	<u>-</u>	<u>1,514</u>

13 Taxation

	31 March 2022 £000	31 December 2020 £000
Current tax		
UK corporation tax	-	-
Adjustments in respect of prior periods	-	-
Total current tax	<u>-</u>	<u>-</u>

Brodie and Stone International Ltd
Notes to the Accounts
for the period ended 31 March 2022

13 Taxation (continued)

	2022	2020
	1,104,460	1,528,710
Profit before taxation		
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00%	209,847	290,455
Fixed asset differences	116,371	(152)
Tax effect of expenses that are not deductible in determining taxable profit	(214,731)	(177,178)
Other adjustments	18,849	-
Adjustments in respect of prior year periods	-	-
Movement in deferred tax not recognised	(130,336)	(113,125)
Tax expense/(credit) for the year	-	-

14 Pension commitments

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £7,327(2020: £9,824).

15 Share capital

	31 March	31 Dec
	2022	2020
	£	£
Allocated, called up and fully paid		
50,000 Ordinary held at par £1	50,000	50,000

Share capital represents the nominal value of equity shares.

The company has one class of ordinary shares which carry no right to fixed income. Each ordinary share has equal voting rights, including repayment of capital in the event of winding up.

All of the shares are issued and fully paid.

16 Reserves

Profit and loss account

The profit and loss account represents cumulative profit or losses, net of dividends paid and other adjustments.

Brodie and Stone International Ltd
Notes to the Accounts
for the period ended 31 March 2022

17 Other financial commitments

	31 March 2022	31 Dec 2020
	£	£
Total future minimum payments under non-cancellable operating leases	-	40,040

18 Intercompany loan write back

During the year, the intercompany loan balance of £1,690,056 (2020: £964,229) with Viaderm Limited was written back in the year. During the year, the intercompany loan balance of £NIL (2020: £26,521) with Brodie and Stone Australia Pty Limited was written back in the period.

19 Controlling party

The immediate parent is Brodie and Stone Holdings Ltd, a company registered in England and Wales. Brodie and Stone Holdings Ltd prepares financial statements and copies can be obtained from 1210 Lincoln Road, Werrington, Peterborough, Cambridgeshire, PE4 6ND.

The parent company is Potter and Moore Innovations Limited, a company registered in England and Wales. The company is included in the consolidated financial statements for Potter and Moore Innovations Limited and is the company be providing the parent guarantee.

The ultimate controlling party is Creightons PLC, a company registered in England and Wales. The registered office address of Creightons PLC is 1210 Lincoln Road, Werrington, Peterborough, Cambridgeshire, PE4 6ND.

20 Parent guarantee

For the period ending 31 March 2022 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies. The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; the directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.