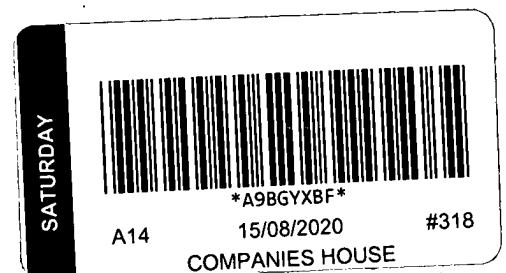


# Anthony Nicholas (UK) Limited

Directors' report and financial statements

Year ended 30 June 2019

**Registered number: 06302848**



# Anthony Nicholas (UK) Limited

## Directors' report and financial statements

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# Anthony Nicholas (UK) Limited

## Directors and other information

### Board of directors

Noel Coyle  
Anthony Obernik  
Mark Naughton-Rumbo

### Secretary

Noel Coyle

### Registered office

3<sup>rd</sup> Floor  
Premier House  
Elstree Way  
Borehamwood  
Hertfordshire  
WD6 1JH  
United Kingdom

### Auditors

KPMG  
Chartered Accountants  
1 Stokes Place  
St. Stephen's Green  
Dublin 2

### Bankers

Allied Irish Bank  
AIB Bankcentre  
Ballsbridge  
Dublin 4  
Ireland

### Solicitors

MacRoberts LLP  
Capella  
60 York Street  
Glasgow G2 8JX  
United Kingdom

### Registered number

06302848

# Anthony Nicholas (UK) Limited

## Directors' report

The directors present their report and the audited financial statements of the Company for the year ended 30 June 2019.

### Principal activities, business review and future developments

The principal activity of the Company is the provision of strategic and management services to the Fraser Hart group.

The performance of the Company during the year is as expected by the directors.

The directors expect the general level of activity to continue for the foreseeable future.

### Results and dividends

The loss for the year after taxation amounted to £58,497 (2018: loss £113,046). The Company did not receive any dividends in the period (2018: £Nil).

### Going concern

The Company is part of the Anthony Nicholas Limited group (the "Group"). The trade of the Group has been significantly negatively impacted by COVID-19 which has a parallel impact on the Company.

Coronavirus disease 2019 (COVID-19) is an infectious disease caused by severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2). The disease was first identified in 2019 in Wuhan, the capital of China's Hubei province, and has since spread globally, resulting in the ongoing 2019-20 coronavirus pandemic. The earliest known infection occurred on 17th November 2019 in Wuhan, China. The World Health Organisation (WHO) declared the 2019-20 coronavirus outbreak a Public Health Emergency of International Concern (PHEIC) on 30th January 2020 and a pandemic on 11th March 2020.

The Board have considered the risks that coronavirus poses to the Company and to the Group, and the actions required to mitigate their impact. Although all non-essential services of the Group were temporarily closed since March, it is unclear how long this emergency legislation enacted by the governments' mandated closures and social distancing measures will be in place. However it is likely that they will continue to impact on how the stores in the Group operate for the foreseeable future.

As we have no prior experience of a similar crisis it is difficult to predict the extent of the effect which coronavirus will have on the Company and the Group in general, our staff and customers and the resulting demand for our products. It is not yet clear how widespread the virus will be, how long the pandemic will last and what the medium to long term effects of this pandemic.

The Directors believe that these uncertainties will be resolved, and on that basis, the financial statements have been prepared on the going concern basis which assumes that the Company will continue in operational existence for at least 12 months from the date of approval of these financial statements. In assessing the going concern assumption, the Board has undertaken a rigorous assessment of the Company's forecast cash flows over the next 12 months. The broader political and economic uncertainty coupled with the potential future impact on the Company of the recent COVID-19 outbreak has been factored into the scenarios considered as part of the Company's adoption which of the going concern basis. The Directors have also considered that mitigating actions are available to the Company in the event that such downside scenarios arise. The Directors believe that the Company has sufficient mitigating actions available to address these downside scenarios.

After making enquiries, the directors have an expectation that the Company has, or can create, adequate resources to allow it to continue in operational existence for the foreseeable future. Therefore these financial statements have been prepared on a going concern basis.

# Anthony Nicholas (UK) Limited

## Directors' report (continued)

### Political donations

No political donations were made during the year.

### Research and development

The Company does not engage in research and development activity.

### Events since the end of the financial year

The outbreak of COVID-19 presents global challenges and uncertainties. Its severity, spread and likely duration remain largely unknown. For the Company's 30 June 2019 financial statements, the Coronavirus outbreak and the related impacts are considered non-adjusting events. Consequently, there is no impact on the recognition and measurement of assets and liabilities. The directors are continuously monitoring the situation which is evolving daily and have put contingencies in place to manage this pandemic to the best of their ability and will continue to work on that basis. There have been no other significant events affecting the Company since the year end.

### Directors

The directors who held office during the year were:

Noel Coyle

Anthony Obernik

Mark Naughton-Rumbo

The directors and secretary who held office at 30 June 2019 had no interests other than those shown below in the shares of the Company or group companies:

Director	Name of company and description of share	2019	2018
		Number	Number
ATD Obernik	Anthony Nicholas Limited - Ordinary shares of €1.25 each	10,454	10,454
N Coyle	Anthony Nicholas Limited - Ordinary shares of €1.25 each	5,503	5,503

<sup>1</sup> Held in trust on behalf of The Anthony Obernik Family Partnership

### Principal risks and uncertainties

The directors do not believe that the Company is exposed to any material financial risks apart from going concern as noted in Note 3.

### Exemption to preparation of strategic report

The Company has availed of the exemption available under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 from implementing the strategic report requirements as the Company qualifies as a small company for company law purposes.

# Anthony Nicholas (UK) Limited

## Directors' report *(continued)*

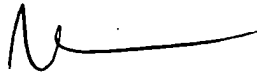
### Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has 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.

### Auditor

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

On behalf of the board



Noel Coyle  
*Director*

9 July 2020

3<sup>rd</sup> Floor  
Premier House  
Elstree Way  
Borehamwood  
Hertfordshire  
WD6 1JH  
United Kingdom

## Anthony Nicholas (UK) Limited

### Statement of directors' responsibilities in respect of the directors' report and the financial statements

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

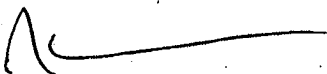
Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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

On behalf of the board



Noel Coyle  
Director

9 July 2020



KPMG  
Audit  
1 Stokes Place  
St. Stephen's Green  
Dublin 2  
D02 DE03  
Ireland

## Independent auditor's report to the members of Anthony Nicholas (UK) Limited

### Report on the audit of the financial statements

#### **Opinion**

We have audited the financial statements of Anthony Nicholas (UK) Limited ("the Company") for the year ended 30 June 2019 set out on pages 9 to 22, which comprise the statement of profit and loss account and other comprehensive income, the balance sheet, the statement of changes in equity and related notes, including the summary of significant accounting policies set out in note 3. The financial reporting framework that has been applied in their preparation is UK Law and FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

In our opinion, the accompanying financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 June 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been properly 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 ethical requirements that are relevant to our audit of financial statements in the UK, including the Financial Reporting Council (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.

#### **Material uncertainty related to going concern**

We draw your attention to note 3 to the financial statements which indicate that while the financial statements have been prepared on a going concern basis, the Director's recognise that the COVID-19 pandemic has resulted in significant uncertainty in the industry and specifically, uncertainty around the future profitability and cash flows of the Company. These events and conditions, along with the other matters explained in note 3 constitute a material uncertainty that may cast doubt on the Company's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.





**Independent auditor's report to the members of Anthony Nicholas (UK) Limited**  
(continued)

**Report on the audit of the financial statements (continued)**

**Other information**

The directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the directors' report. The financial statements and our auditor's report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Based solely on our work on the other information;

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

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

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

**Respective responsibilities and restrictions on use**

**Responsibilities of directors for the financial statements**

As explained more fully in the directors' responsibilities statement set out on page 5, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.



**Independent auditor's report to the members of Anthony Nicholas (UK) Limited**  
(continued)

**Respective responsibilities and restrictions on use (continued)**

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

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

Our 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.

**Ryan McCarthy (Senior Statutory Auditor)**  
**for and on behalf of**  
**KPMG,**  
**Statutory Auditor, Chartered Accountants**  
1 Stokes Place  
St. Stephen's Green  
Dublin 2

28 July 2020

# Anthony Nicholas (UK) Limited

## Statement of profit and loss account and other comprehensive income for the year ended 30 June 2019

	Note	Year ended 30 June 2019 £	Year ended 24 June 2018 £
<b>Turnover</b>	5	<b>2,707,026</b>	2,603,592
Administration expenses		(2,607,026)	(2,503,592)
<b>Operating profit</b>	6	<b>100,000</b>	100,000
<b>Profit on ordinary activities before interest and taxation</b>		<b>100,000</b>	100,000
Interest payable and similar charges	7	(158,497)	(213,046)
<b>Loss on ordinary activities before taxation</b>		<b>(58,497)</b>	(113,046)
Tax on loss on ordinary activities	8	-	-
<b>Loss for the financial year</b>		<b>(58,497)</b>	(113,046)
<b>Total comprehensive loss for the financial year</b>		<b>(58,497)</b>	(113,046)

There were no recognised gains or losses other than those dealt with in the profit and loss account in the current and preceding financial year. Consequently, no statement of other comprehensive income is presented.

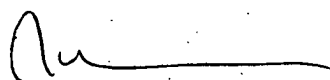
# Anthony Nicholas (UK) Limited

## Balance sheet

as at 30 June 2019

	Note	30 June 2019 £	24 June 2018 £
<b>Fixed assets</b>			
Financial fixed assets	9	58,165,770	58,165,770
<b>Creditors: amounts falling due within one year</b>	10	(40,136,413)	(38,831,530)
<b>Net current liabilities</b>		(40,136,413)	(38,831,530)
<b>Total assets less current liabilities</b>		18,029,357	19,334,240
<b>Creditors: amounts falling due after more than one year</b>	11	(1,309,926)	(2,556,312)
<b>Net assets</b>		16,719,431	16,777,928
<b>Capital and reserves</b>			
Called up share capital	12	100	100
Profit and loss account		16,719,331	16,777,828
<b>Total equity</b>		16,719,431	16,777,928

The financial statements were approved by the board of directors on 9 July 2020 and were signed on its behalf by:



Noel Coyle  
Director

Company registration number: 06302848

# Anthony Nicholas (UK) Limited

Notes *(continued)*

## Statement of changes in equity for the year ended 30 June 2019

	Called-up share capital presented as equity £	Profit and loss account £	Total £
<b>Balance at 25 June 2017</b>	100	16,890,874	16,890,974
Loss for the financial year	-	(113,046)	(113,046)
<b>Total comprehensive loss for the financial year</b>	-	(113,046)	(113,046)
<b>Balance at 24 June 2018</b>	100	16,777,828	16,777,928
Loss for the financial year	-	(58,497)	(58,497)
<b>Total comprehensive loss for the financial year</b>	-	(58,497)	(58,497)
<b>Balance at 30 June 2019</b>	<b>100</b>	<b>16,719,331</b>	<b>16,719,431</b>

# Anthony Nicholas (UK) Limited

## Notes (continued)

## Notes

forming part of the financial statements

### 1 General information

Anthony Nicholas (UK) Limited ("the Company") provides management services to the Fraser Hart group. Anthony Nicholas (UK) Limited is incorporated as a private limited company in the United Kingdom. The address of its registered office is 3<sup>rd</sup> Floor, Premier House, Elstree Way, Borehamwood, Hertfordshire, WD6 1JH, United Kingdom. The registered number is 06302848.

The Company is exempt by virtue of s400 subject to small companies regime of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group. The presentation currency of these financial statements is sterling.

### 2 Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* ("FRS 102"). There have been no material departures from the standards.

### 3 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these separate financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### Basis of preparation

The entity financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with FRS 102 requires the use of certain key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the financial year. It also requires the directors to exercise their judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or areas where assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are disclosed in note 4.

#### Going concern

The Company is part of the Anthony Nicholas Limited group (the "Group"). The trade of the Group has been significantly negatively impacted by COVID-19 which has a parallel impact on the Company.

Coronavirus disease 2019 (COVID-19) is an infectious disease caused by severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2). The disease was first identified in 2019 in Wuhan, the capital of China's Hubei province, and has since spread globally, resulting in the ongoing 2019-20 coronavirus pandemic. The earliest known infection occurred on 17th November 2019 in Wuhan, China. The World Health Organisation (WHO) declared the 2019-20 coronavirus outbreak a Public Health Emergency of International Concern (PHEIC) on 30th January 2020 and a pandemic on 11th March 2020.

# Anthony Nicholas (UK) Limited

## Notes (continued)

### 3 Summary of significant accounting policies (continued)

#### Going concern (continued)

The Board have considered the risks that coronavirus poses to the Company and to the Group, and the actions required to mitigate their impact. Although all non-essential services of the Group were temporarily closed since March, it is unclear how long this emergency legislation enacted by the governments' mandated closures and social distancing measures will be in place. However it is likely that they will continue to impact on how the stores in the Group operate for the foreseeable future.

As we have no prior experience of a similar crisis it is difficult to predict the extent of the effect which coronavirus will have on the Company and the Group in general, our staff and customers and the resulting demand for our products. It is not yet clear how widespread the virus will be, how long the pandemic will last and what the medium to long term effects of this pandemic.

Taking these circumstances into account, the Directors recognise the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern, and that the Company may, as a consequence, be unable to realise its assets and discharge its liabilities in the normal course of business. However, the Directors believe that these uncertainties will be resolved, and on that basis, the financial statements have been prepared on the going concern basis which assumes that the Company will continue in operational existence for at least 12 months from the date of approval of these financial statements. In assessing the going concern assumption, the Board has undertaken a rigorous assessment of the Company's forecast cash flows over the next 12 months. The broader political and economic uncertainty coupled with the potential future impact on the Company of the recent COVID-19 outbreak has been factored into the scenarios considered as part of the Company's adoption of the going concern basis. The Directors have also considered that mitigating actions are available to the Company in the event that such downside scenarios arise. The Directors believe that the Company has sufficient mitigating actions available to address these downside scenarios.

After making enquiries, the directors have an expectation that the Company has, or can create, adequate resources to allow it to continue in operational existence for the foreseeable future. Therefore these financial statements have been prepared on a going concern basis.

#### Exemption for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions to a member of a group where the parent of that group prepares publicly available consolidated financial statements which are intended to give a true and fair view (of the assets, liabilities, financial position and profit or loss) and that member is included in the consolidation. The Company is a qualifying entity as it is a 100% owned subsidiary of Anthony Nicholas Limited, which prepares consolidated financial statements in which the Company is consolidated. The consolidated financial statements are available to the public and may be obtained from the Companies Registration Office, Bloom House, Gloucester Place Lower, Dublin 1. The Company has taken advantage of the below disclosure exemptions:

- (i) Exemption from the requirements of Section 7 of FRS 102 and FRS 102 paragraph 3.17(d) to present a statement of cash flows;
- (ii) Exemption from the financial instrument disclosure requirements of Section 11 paragraphs 11.39 to 11.48A and Section 12 paragraphs 12.26 to 12.29A of FRS 102 providing the equivalent disclosures are included in the consolidated financial statements of the group in which the entity is consolidated; and
- (iii) Exemption from the requirement of FRS 102 paragraph 33.7 to disclose key management personnel compensation in total.

# Anthony Nicholas (UK) Limited

## Notes *(continued)*

### 3 Summary of significant accounting policies *(continued)*

#### Foreign currency

##### *(i) Functional and presentation currency*

The Company's functional and presentation currency is sterling, denominated by the symbol "£".

##### *(ii) Transactions and balances*

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At the end of each financial year foreign currency monetary items are translated to Sterling using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at exchange rates at the end of the financial year of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the profit and loss account within 'interest receivable and similar income' or 'interest payable and similar charges' as appropriate.

#### Turnover

Turnover represents management fee income received from group companies and is recognised in accordance with the relevant management agreement. Turnover is measured at the fair value of the consideration received or receivable and represents the amount receivable for services rendered, net of returns, discounts and rebates allowed by the Company and value added taxes.

The Company recognises turnover when

- (a) the Company has rendered management services to group companies;
- (b) the amount of turnover and costs can be measured reliably; and
- (c) it is probable that future economic benefits will flow to the entity.



# Anthony Nicholas (UK) Limited

## Notes *(continued)*

### 3 Summary of significant accounting policies *(continued)*

#### Financial fixed assets

Financial fixed assets are shown at cost less provisions for impairments in value. Income from financial fixed assets, together with any related tax credit, is recognised in the profit and loss account in the year in which it is receivable.

At each balance sheet date financial fixed assets are assessed to determine whether there is an indication that the asset (or asset's cash generating unit) may be impaired. If there is such an indication the recoverable amount of the asset (or asset's cash generating unit) is compared to the carrying amount of the asset (or asset's cash generating unit).

The recoverable amount of the asset (or asset's cash generating unit) is the higher of the fair value less costs to sell and value in use. Value in use is defined as the present value of the future cash flows before interest and tax obtainable as a result of the asset's (or asset's cash generating unit) continued use. These cash flows are discounted using a pre-tax discount rate that represents the current market risk-free rate and the risks inherent in the asset.

If the recoverable amount of the asset (or asset's cash generating unit) is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the profit and loss account.

#### Taxation

Income tax expense for the financial year comprises current and deferred tax recognised in the financial year. Income tax expense is presented in the same component of total comprehensive income (profit and loss account or other comprehensive income) or equity as the transaction or other event that resulted in the income tax expense.

Current or deferred taxation assets and liabilities are not discounted.

##### *(i) Current tax*

Current tax is the amount of income tax payable in respect of the taxable profit for the financial year or past financial years. Current tax is measured at the amount of current tax that is expected to be paid using tax rates and laws that have been enacted or substantively enacted by the end of the financial year.

The directors periodically evaluate positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. A current tax liability is recognised where appropriate and measured on the basis of amounts expected to be paid to the tax authorities.

##### *(ii) Deferred tax*

Deferred tax is recognised in respect of timing differences, which are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in financial years different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the end of each financial year with certain exceptions. Unrelieved tax losses and other deferred tax assets are recognised only when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

# Anthony Nicholas (UK) Limited

## Notes (continued)

### 3 Summary of significant accounting policies (continued)

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the end of each financial year end and that are expected to apply to the reversal of the timing difference.

A deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

#### **Consolidated accounts**

The Company is included in the consolidated financial statements of Anthony Nicholas Limited which are publicly available. Therefore the Company is exempt by virtue of Section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements.

#### **Financial instruments**

The Company has chosen to apply the provisions of Sections 11 and 12 of FRS 102 to account for all of its financial instruments.

#### **Financial assets**

Basic financial assets, including trade and other debtors, are initially recognised at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. Where the arrangement constitutes a financing transaction the resulting financial asset is initially measured at the present value of the future receipts discounted at a market rate of interest for a similar debt instrument. Trade and other debtors, cash and cash equivalents and financial assets from arrangements which constitute financing transactions are subsequently measured at amortised cost using the effective interest method.

At the end of each financial year, financial assets measured at amortised cost are assessed for objective evidence of impairment. If there is objective evidence that a financial asset measured at amortised cost is impaired an impairment loss is recognised in profit or loss. The impairment loss is the difference between the financial asset's carrying amount and the present value of the financial asset's estimated cash inflows discounted at the asset's original effective interest rate.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of ownership of the financial asset are transferred to another party or (c) control of the financial asset has been transferred to another party who has the practical ability to unilaterally sell the financial asset to an unrelated third party without imposing additional restrictions.

#### **Financial liabilities**

Basic financial liabilities, including trade and other creditors and loans from fellow group companies are initially recognised at transaction price, unless the arrangement constitutes a financing transaction. Where the arrangement constitutes a financing transaction the resulting financial liability is initially measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Trade and other creditors, loans from fellow group companies and financial liabilities from arrangements which constitute financing transactions are subsequently carried at amortised cost, using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

# Anthony Nicholas (UK) Limited

## Notes *(continued)*

### 3 Summary of significant accounting policies *(continued)*

#### Provisions and contingencies

##### *(i) Provisions*

Provisions are liabilities of uncertain timing or amount. Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that a transfer of economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are measured at the present value of the best estimate of the amount required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Provisions are reviewed at the end of each financial year and adjusted to reflect the current best estimate of the amount required to settle the obligation. The unwinding of the discount is recognised as a finance cost in profit or loss, presented as part of 'interest payable and similar charges' in the financial year in which it arises.

##### *(ii) Contingencies*

Contingent liabilities, arising as a result of past events, are not recognised as a liability because it is not probable that the Company will be required to transfer economic benefits in settlement of the obligation or the amount cannot be reliably measured at the end of the financial year. Possible but uncertain obligations are not recognised as liabilities but are contingent liabilities. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote. Contingent assets are not recognised. Contingent assets are disclosed in the financial statements when an inflow of economic benefits is probable.

#### Share capital presented as equity

Equity shares issued are recognised at the proceeds received and presented as share capital and share premium. Incremental costs directly attributable to the issue of new equity shares or options are shown in equity as a deduction, net of tax, from the proceeds.

#### Distributions to equity shareholders

Dividends and other distributions to the Company's equity shareholders are recognised as a liability in the financial statements in the financial year in which the dividends and other distributions are approved by the Company's shareholders.

#### Interest receivable and interest payable

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

Interest payable and similar expenses include interest payable, finance expenses on shares classified as liabilities and finance leases recognised in profit or loss using the effective interest method, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the profit and loss account (see foreign currency accounting policy).

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest rate method. Dividend income is recognised in the profit and loss account on the date the company's right to receive payments is established. Foreign currency gains and losses are reported on a net basis.

# Anthony Nicholas (UK) Limited

## Notes (continued)

### 4 Critical accounting judgements and estimation uncertainty

Estimates and judgements made in the process of preparing the entity financial statements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The directors make estimates and assumptions concerning the future in the process of preparing the Company financial statements. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

#### (i) Carrying value of investments

The Company makes an estimate of the recoverable value of investment in subsidiaries. When assessing impairment of investment in subsidiaries, management considers factors including the value in use attributed to the investee as well as other factors including the investee's financial condition. See note 9 for the net carrying amount of investment in subsidiaries.

### 5 Turnover

Turnover arises from the provision of management services to the Fraser Hart group and from activities undertaken wholly within the United Kingdom.

### 6 Statutory and other information

Year ended 30 June 2019 £	Year ended 24 June 2018 £
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Operating profit is stated after charging:

Directors' remuneration:

- Fees	-	-
- Other remuneration	-	-

Auditor's remuneration is borne by another group company.

The Company had no employees during the year.

### 7 Interest payable and similar charges

Year ended 30 June 2019 £	Year ended 24 June 2018 £
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On bank loans, overdrafts and other loans wholly repayable within five years

158,497	213,046
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# Anthony Nicholas (UK) Limited

## Notes (continued)

### 8 Income tax

	Year ended 30 June 2019 £	Year ended 24 June 2018 £
<b>(a) Tax expense included in profit or loss</b>		
<i>Current tax:</i>		
UK corporation tax on profit for the financial period	-	-
Adjustments in respect of prior financial periods	-	-
	<hr/>	<hr/>
Current tax expense for the financial period	-	-
	<hr/>	<hr/>
<i>Deferred tax:</i>		
Origination and reversal of timing differences	-	-
Deferred tax expense for the financial period	-	-
	<hr/>	<hr/>
Tax on loss on ordinary activities	-	-
	<hr/>	<hr/>

Tax assessed for the financial period is same (2018: same) as the standard rate of corporation tax in the UK for the financial year ended 30 June 2019 of 19% (2018: 19%). The differences are explained below:

<b>(b) Reconciliation of tax expense</b>	2019 £	2018 £
Loss on ordinary activities before taxation	(58,497)	(113,046)
	<hr/>	<hr/>
Loss multiplied by the standard rate of tax in the UK for the financial year ended 30 June 2019 of 19% (2018: 19%)	(11,114)	(21,478)
	<hr/>	<hr/>
<i>Effects of:</i>		
Group relief	11,114	21,478
	<hr/>	<hr/>
Tax on loss on ordinary activities	-	-
	<hr/>	<hr/>

# Anthony Nicholas (UK) Limited

## Notes (continued)

### 9 Financial fixed assets

	Shares in group undertakings £	Total £
<b>At 30 June 2019 and 24 June 2018</b>		
Cost	58,165,770	58,165,770
<b>Carrying amount at 30 June 2019 and 25 June 2018</b>	<b>58,165,770</b>	<b>58,165,770</b>

Name	Country of registration	Details of investment	Proportion held	Principal activity
Fred Hill Holdings Limited (1)	UK	Ordinary shares	100%	Investment holding
Bernstones Limited (2)	UK	Ordinary shares	100%	Dormant
Associated Goldsmiths Limited (2)	UK	Ordinary shares	100%	Dormant
Hepting & Farrer Limited (1)	UK	Ordinary shares	100%	Dormant
Prestons (Rochdale) Limited (2)	UK	Ordinary shares	100%	Dormant
Swansea Goldsmiths Limited (2)	UK	Ordinary shares	100%	Dormant
Crouch The Goldsmiths (St Davids Centre, Cardiff) Limited (2)	UK	Ordinary shares	100%	Dormant
Crouch The Goldsmiths (Cardiff) Limited (2)	UK	Ordinary shares	100%	Dormant
Fred Hill (Glasgow) Limited (1)	UK	Ordinary shares	100%	Dormant
Geoffrey Richard (Holdings) Limited (2)	UK	Ordinary shares	100%	Dormant
Fraser Hart Holdings Limited (1)	UK	Ordinary Shares	100%	Dormant
Fraser Hart Limited (1)	UK	Ordinary shares	100%	Trading

Note 1: The registered office address is 19 Queen Street, Glasgow G1 3ED.

Note 2: The registered office address is Premier House, Elstree Way, Borehamwood, Hertfordshire, WD6 1JH.

# Anthony Nicholas (UK) Limited

## Notes (continued)

<b>10 Creditors: amounts falling due within one year</b>	<b>30 June 2019 £</b>	<b>24 June 2018 £</b>
Accruals	71,516	80,310
Amounts due to group undertakings	38,818,512	37,507,456
Bank loan	1,246,385	1,243,764
	<u>40,136,413</u>	<u>38,831,530</u>

Amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

<b>11 Creditors: amounts falling due after one year</b>	<b>30 June 2019 £</b>	<b>24 June 2018 £</b>
Bank loan	1,309,926	2,556,312
<i>Loans:</i>		
Repayable in one year or less	1,246,385	1,243,764
Repayable between one and two years	1,309,926	2,556,312
	<u>2,556,311</u>	<u>3,800,076</u>

The group loan facilities are secured by way of first ranking fixed and floating charges and first ranking securities from all obligors, one of which is Anthony Nicholas (UK) Limited. Post year end, the Group has discharged its Senior and Mezzanine bank facilities.

The facilities bear implied interest at rates between 3.4% and 10% per annum. The loans are due for repayment at various stages over the next 5 years.

<b>12 Share capital and reserves</b>	<b>30 June 2019 £</b>	<b>24 June 2018 £</b>
<b>Authorised</b>		
1,000,000 ordinary shares of £1 each	1,000,000	1,000,000
<b>Allotted, called up and fully paid</b>		
100 ordinary shares of £1 each	100	100

There is a single class of equity shares. There are no restrictions on the distribution of dividends and the repayment of capital. All shares carry equal voting rights and rank for dividends to the extent to which the total amount on each share is paid up.

# Anthony Nicholas (UK) Limited

## Notes *(continued)*

### **13 Contingent liabilities**

Since year end, the Group have disposed of 4 of their stores for a consideration of £31.7 million. This sale was completed on 3rd March 2020, as a result, the Group has discharged its Senior and Mezzanine bank facilities and the Company was released from the guarantees and debentures it had previously been a party to.

### **14 Controlling parties**

The immediate parent undertaking is Anthony Nicholas Limited. The ultimate parent undertaking and the smallest and largest group in which the results of the Company are consolidated is that headed by Anthony Nicholas Limited. The consolidated financial statements of Anthony Nicholas Limited are available to the public and may be obtained from the Companies Registration Office, Bloom House, Gloucester Place Lower, Dublin 1.

### **15 Related parties**

The Company is exempt from disclosing other related party transactions as they are with other companies that are wholly owned within the Group.

### **16 Subsequent events**

The outbreak of COVID-19 presents global challenges and uncertainties. Its severity, spread and likely duration remain largely unknown. For the Company's 30 June 2019 financial statements, the Coronavirus outbreak and the related impacts are considered non-adjusting events. Consequently, there is no impact on the recognition and measurement of assets and liabilities. The directors are continuously monitoring the situation which is evolving daily and have put contingencies in place to manage this pandemic to the best of their ability and will continue to work on that basis. There have been no other significant events affecting the Company since the year end.

### **17 Approval of financial statements**

These financial statements were approved by the directors on 9 July 2020.