

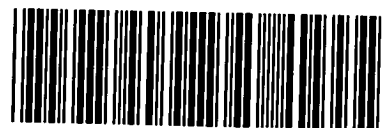
Crown Brands Limited

Annual report and financial statements

Registered number 06667042

For the year ended 31 December 2022

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Crown Brands Limited
Annual report and financial statements
31 December 2022
Registered number 06667042

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Company information

Directors	Philip Carmelo Cefai Ana Carolina Fernandes Henriques Rasmussen Akhtar Ali Sheikh
Company secretary	Li Sin Liew
Registered number	06667042
Registered office	Crown House Hollins Road Darwen Lancashire BB3 0BG
Auditor	RSM UK Audit LLP
Auditor's address	Ninth Floor, Landmark St Peter's Square 1 Oxford Street Manchester M1 4PB

Crown Brands Limited
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Directors' report

The directors present their annual report and audited annual report and financial statements on Crown Brands Limited (the "Company") for the year ended 31 December 2022.

Principal activities

The principal activity of the Company is to hold the intellectual property for the Crown Brands.

Business review

During the year the Company made a loss for the financial year of £64,000 (2021: £165,000 loss). The Company had net assets of £2,214,000 as at 31 December 2022 (2021: £2,278,000).

Proposed dividend and transfer to reserves

The directors do not recommend the payment of a dividend (2021: £nil).

Directors

Philip Carmelo Cefai
Joseph Devitt (resigned 31 August 2023)
Akhtar Ali Sheikh (appointed on 18 August 2022)
Craig Andrew Ballantyne (resigned on 19 August 2022)
Philip James McDonald (resigned on 14 October 2022)
Ana Carolina Fernandes Henriques Rasmussen (appointed 31 August 2023)

The directors of the Company at 31 December 2022 had no beneficial interests in the capital of the Company.

Principal risks and uncertainties

The principal risk to the Company is the recoverability of the intercompany debtor.

Going concern

The directors have considered the going concern status of the Company. Following a review of the Company balance sheet and the profit and loss account, all transactions relate to intercompany balances or recharges. There are no external cash flows made in this entity and the Company is reliant on the financial support of Hempel A/S. Given this is a non-trading company and all transactions in the past have been intercompany in nature and it is the intent of this to continue into future financial years, the directors therefore find it appropriate to continue to adopt the going concern basis when preparing these financial statements.

Political and charitable contributions

The Company made no political donations or incurred any charitable expenditure in the year (2021: £nil).

Statement of disclosure of information to auditors

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 auditors are unaware; and each director has taken all the 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 auditors are aware of that information.

Independent auditors

Pursuant to section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and RSM UK Audit LLP will therefore continue in office.

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Directors' report *(continued)*

Small companies exemption

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

On behalf of the board

Philip Cefai

Philip Carmelo Cefai

Director

17/12/23

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

The directors are responsible for preparing the Annual 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 of the profit or loss of the Company for that year. In preparing the financial statements, the directors are required to:

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

The directors 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.

Directors' confirmations

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

On behalf of the board

Philip Cefai

Philip Carmelo Cefai

Director

17/12/23

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CROWN BRANDS LIMITED

Opinion

We have audited the financial statements of Crown Brands Limited (the 'company') for the year ended 31 December 2022 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;

have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CROWN BRANDS LIMITED *(continued)*

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 Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CROWN BRANDS LIMITED *(continued)*

The extent to which the audit was considered capable of detecting irregularities, including fraud *(continued)*

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the Company operates in and how the Company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102 and the Companies Act 2006. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business.

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

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Dale Thorpe

Dale Thorpe (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
Ninth Floor, Landmark
St Peter's Square
1 Oxford Street
Manchester
M1 4PB

20/12/23

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Statement of comprehensive income
for the year ended 31 December 2022

	<i>Note</i>	2022 £000	2021 £000
Administrative expenses		(64)	(165)
Operating loss	5	<u>(64)</u>	<u>(165)</u>
Loss before taxation		-	-
Tax on loss	8	-	-
Loss for the financial year		<u><u>(64)</u></u>	<u><u>(165)</u></u>

All activities derive from continuing operations.

No other comprehensive income has been recognised in the year (2021: £nil)

The notes on pages 11 to 14 are an integral part of these financial statements.

Crown Brands Limited
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Balance sheet
as at 31 December 2022


	<i>Note</i>	2022 £000	2021 £000
Current assets			
Debtors	9	2,214	2,278
Net current assets		<u>2,214</u>	<u>2,278</u>
Total assets less current liabilities		<u>2,214</u>	<u>2,278</u>
Net assets		<u>2,214</u>	<u>2,278</u>
Capital and reserves			
Called up share capital	10	-	-
Profit and loss account	10	2,214	2,278
Total equity		<u>2,214</u>	<u>2,278</u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The notes on pages 11 to 14 are an integral part of these financial statements.

The financial statements were approved by the Board of directors on 17/12/23

and signed on its behalf by:



Akhtar Ali Sheikh
Director
Registered number 06667042

Crown Brands Limited
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Statement of changes in equity
for the year ended 31 December 2022

	Called up share capital £000	Profit and loss account £000	Total equity £000
Balance at 1 January 2021	-	2,443	2,443
Loss for the year	-	(165)	(165)
Balance at 31 December 2021	-	2,278	2,278

	Called up share capital £000	Profit and loss account £000	Total equity £000
Balance at 1 January 2022	-	2,278	2,278
Loss for the year	-	(64)	(64)
Balance at 31 December 2022	-	2,214	2,214

Notes to the financial statements

1 General information

Crown Brands Limited ('the Company') is an intellectual property holding company.

The Company is a private company, limited by shares and is domiciled in the UK. The address of its registered office is Crown House, Hollins Road, Darwen, Lancashire, BB3 0BG.

2 Statement of compliance

The individual financial statements of Crown Brands Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland. ("FRS 102") and the Companies Act 2006. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

3 Summary of significant accounting policies

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

3.1 Basis of preparation

These financial statements are prepared on the going concern basis, under the historical cost convention, as modified by certain financial assets and liabilities measured at fair value through profit or loss, and in accordance with the Companies act 2006 and appropriate accounting standards in the United Kingdom.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4. Monetary amounts in these financial statements are presented in Sterling and are rounded to the nearest whole £1,000, except where otherwise indicated.

3.2 Going concern

The directors have considered the going concern status of the Company. Following a review of the Company balance sheet and the profit and loss account, all transactions relate to intercompany balances or recharges. There are no external cash flows made in this entity and the Company is reliant on the financial support of Hempel A/S. Given this is a non-trading company and all transactions in the past have been intercompany in nature and it is the intent of this to continue into future financial years, the directors therefore find it appropriate to continue to adopt the going concern basis when preparing these financial statements.

3.3 Exemptions for qualifying entities under FRS 102

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 FRS 102 in respect of the following disclosures:

- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of Hempel A/S include the disclosures equivalent to those required by FRS 102, the Company has also taken the exemptions available in respect of the following disclosures:

- The disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

Notes to the financial statements *(continued)*

3 Summary of significant accounting policies (continued)

3.4 Taxation

The charge for taxation is based on the result for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Tax on the profit or loss for the year comprises current tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

3.5 Financial instruments

The Company has chosen to adopt the section 11 and section 12 of FRS 102 in respect of financial instruments.

Basic financial assets, amounts owed to group undertakings are initially measured at transaction price plus attributable transaction costs.

Subsequent to initial recognition the financial assets/liabilities are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors and receivables. If a financial asset is impaired, an impairment loss, being the difference between the carrying amount of the asset and the present value of the estimated cash flows discounted at the asset's original effective interest rate, is recognised in the Statement of comprehensive income. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

4 Critical accounting judgements and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. There are no such estimates and judgements within these financial statements.

5 Operating loss

For the year ended 31 December 2022 the auditors' remuneration has been borne by Crown Paints Limited. This totals £500 (2021: £500). Fees relating to intellectual property registrations have been borne by Crown Paints Limited and recharge in the year these totalled £64,000 (2021: £165,000).

6 Remuneration of directors

None of the directors received any remuneration for their work as directors of the Company (2021: £nil).

7 Staff numbers and costs

Other than the named directors, the Company has no employees (2021: none).

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Notes to the financial statements *(continued)*

8 Tax on loss

The tax credit for the year is lower (2021: lower) than the standard rate of corporation tax in the UK 19% (2021:19%).
The differences are explained below.

	2022 £000	2021 £000
Loss before taxation	64	165
Loss multiplied by standard rate of tax in the UK of 19% (2021: 19.00%)	(12)	(31)
<i>Effects of:</i>		
Effects of group relief surrendered	12	31
Total tax credit	-	-

The standard rate of tax applied to reported profit is 19% (2021: 19%). In the Finance Bill 2021, the Government announced that from 1 April 2023 the corporation tax rate would increase to 25% (rather than remaining at 19%, as previously enacted). This new law was substantively enacted on 24 May 2021.

9 Debtors

	2022 £000	2021 £000
Amounts owed by group undertakings	2,214	2,278

Amounts owed by group undertakings are unsecured, interest free and repayable on demand. There are no external cash flows in this entity, the Company's cash flow requirements are met by a group undertaking which will continue to reduce the receivable balance.

10 Capital and reserves

	2022 £	2021 £
Authorised, allotted, called up and fully paid		
1 (2021: 1) ordinary shares of £1 each	1	1

Called up share capital

Consideration received for shares issued above their nominal value net of transaction costs. The ordinary shares each share carry one voting right.

Retained earnings

Cumulative statement of comprehensive income net of distribution to owners.

Notes to the financial statements *(continued)*

11 Ultimate parent undertaking and controlling party

The immediate parent undertaking is Crown Paints Holdings Limited.

The ultimate parent undertaking and controlling party is Hempel A/S, a Company incorporated in Denmark.

Hempel A/S is the parent undertaking of the largest and smallest group of undertakings to consolidate these financial statements at 31 December 2022. The consolidated financial statements of Hempel A/S are available from Hempel A/S Lundtoftøgardsvej 91, DK-2800 kgs, Lyngby, Denmark.

The ultimate controlling party is the Hempel Foundation.

12 Related party disclosures

The Company is exempt from disclosing other related party transactions as they are with other companies that are wholly owned within the group. This is permissible as per Section 33, paragraph 33.7 of IFRS 102.