

COMPANY REGISTRATION NUMBER: 07810575

Lifetime Brands Holdings Limited
Financial Statements
31 December 2017



Lifetime Brands Holdings Limited

Financial Statements

Year ended 31 December 2017

Contents	Page
Officers and professional advisers	1
Strategic report	2
Directors' report	3
Independent auditor's report to the members	5
Balance sheet	8
Statement of changes in equity	9
Notes to the financial statements	10

Lifetime Brands Holdings Limited

Officers and Professional Advisers

The board of directors

Mr G G Clarke
Mr J G Siegel
Mr D T Siegel
Mr R Shiftan
Mr R B Kay

Company secretary

Gateley Secretaries Limited

Registered office

c/o Gateley Secretaries Limited
One Eleven
Edmund Street
Birmingham
B3 2HJ

Auditor

Ernst & Young LLP
1 Colmore Square
Birmingham
B4 6HQ

Lifetime Brands Holdings Limited

Strategic Report

Year ended 31 December 2017

The principal activity of the company was that of a holding company.

The company's ultimate parent company, Lifetime Brands, Inc, manages its operations on a divisional basis. For this reason the company's directors believe that further key performance indicators for the company are not necessary or appropriate for an understanding of the development, performance, or position of the business. The performance of each division of Lifetime Brands, Inc, is discussed in Lifetime Brands' 2017 Annual Report, which does not form part of this report.

There were no transactions in the year. The profit before tax for the period amounted to £0 (31 December 2016: £0).

The group has suitable policies in place to mitigate risks facing the company and its subsidiaries, and these are outlined in the financial statements of Lifetime Brands, Inc.

Future developments

The company is likely to remain as a holding company for the foreseeable future.

This report was approved by the board of directors on ~~21.09.2018~~ and signed on behalf of the board by:



Mr G G Clarke
Director

Registered office:
c/o Gateley Secretaries Limited
One Eleven
Edmund Street
Birmingham
B3 2HJ

Lifetime Brands Holdings Limited

Directors' Report

Year ended 31 December 2017

The directors present their report and the financial statements of the company for the year ended 31 December 2017.

Principal activities

The principal activity of the company was that of a holding company.

Directors

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

Mr G G Clarke	(Appointed 21 May 2018)
Mr J G Siegel	
Mr D T Siegel	
Mr R Shiftan	
Mr R B Kay	(Appointed 14 May 2018)

The company is a wholly owned subsidiary and the interests of the group directors are disclosed in the financial statements of the parent company.

Dividends

The directors do not recommend the payment of a dividend.

Going concern

After making enquiries and reviewing current activities the directors have reasonable expectation that the company will have adequate resources to continue in operational existence for the foreseeable future, due to continuing support from group companies. Accordingly, they continue to adopt the going concern basis in preparing the report and financial statements.

Financial instruments

The company has no financial instruments at the year end.

Directors' responsibilities statement

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

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

Lifetime Brands Holdings Limited

Directors' Report *(continued)*

Year ended 31 December 2017

Directors' responsibilities statement *(continued)*

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

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

This report was approved by the board of directors on 21.09.2018 and signed on behalf of the board by:



Mr G G Clarke
Director

Registered office:
c/o Gateley Secretaries Limited
One Eleven
Edmund Street
Birmingham
B3 2HJ

Independent Auditor's Report to the Members of Lifetime Brands Holdings Limited

Year ended 31 December 2017

Opinion

We have audited the financial statements of Lifetime Brands Holdings Limited (the 'company') for the year ended 31 December 2017 which comprise the balance sheet, statement of changes in equity and the related notes 1 to 9, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 2017 and of its result 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Independent Auditor's Report to the Members of Lifetime Brands Holdings Limited

(continued)

Year ended 31 December 2017

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. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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.

Independent Auditor's Report to the Members of Lifetime Brands Holdings Limited
(continued)

Year ended 31 December 2017

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 further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://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.

Ernst & Young LLP

Helen McLeod-Jones (Senior Statutory Auditor)

For and on behalf of
Ernst & Young LLP
1 Colmore Square
Birmingham
B4 6HQ

21/09/2018

Lifetime Brands Holdings Limited

Balance Sheet

31 December 2017

	Note	2017 £	2016 £
Fixed assets			
Investments	6	1	1
Total assets less current liabilities		<u>1</u>	<u>1</u>
Capital and reserves			
Called up share capital	7	2	2
Share premium account	8	5,508,067	5,508,067
Profit and loss account	8	(5,508,068)	(5,508,068)
Shareholders funds		<u>1</u>	<u>1</u>

These financial statements were approved by the board of directors and authorised for issue on 21.09.2018, and are signed on behalf of the board by:



Mr G G Clarke
Director

Company registration number: 07810575

The notes on pages 10 to 12 form part of these financial statements.

Lifetime Brands Holdings Limited

Statement of Changes in Equity

Year ended 31 December 2017

	Called up share capital £	Share premium account £	Profit and loss account £	Total £
At 1 January 2016	1	–	(5,508,068)	(5,508,067)
Profit for the year			–	–
Issue of shares	1	5,508,067	–	5,508,068
Total investments by and distributions to owners	1	5,508,067	–	5,508,068
At 31 December 2016	2	5,508,067	(5,508,068)	1
Profit for the year			–	–
At 31 December 2017	<u>2</u>	<u>5,508,067</u>	<u>(5,508,068)</u>	<u>1</u>

The notes on pages 10 to 12 form part of these financial statements.

Lifetime Brands Holdings Limited

Notes to the Financial Statements

Year ended 31 December 2017

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is c/o Gateley Secretaries Limited, One Eleven, Edmund Street, Birmingham, B3 2HJ.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

After making enquiries and reviewing current activities the directors have reasonable expectation that the company will have adequate resources to continue in operational existence for the foreseeable future, due to continuing support from group companies. Accordingly, they continue to adopt the going concern basis in preparing the report and financial statements.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of Lifetime Brands, Inc, which can be obtained from 1000 Stewart Avenue, Garden City, New York 11530, United States of America. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

- (a) Disclosures in respect of each class of share capital have not been presented.
- (b) No cash flow statement has been presented for the company.
- (c) Disclosures in respect of financial instruments have not been presented.
- (d) Disclosures in respect of share-based payments have not been presented.
- (e) No disclosure has been given for the aggregate remuneration of key management personnel.

Consolidation

The entity has taken advantage of the exemption from preparing consolidated financial statements contained in Section 400 of the Companies Act 2006 on the basis that it is a subsidiary undertaking and its immediate parent undertaking is established under the law of an EEA State.

Lifetime Brands Holdings Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2017

3. Accounting policies *(continued)*

Income tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less tax, with the following exception:

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

4. Operating profit

The audit fee for the year is borne by Lifetime Brands Europe Limited.

5. Particulars of employees

No salaries or wages have been paid to employees, including the directors, during the year.

The directors were remunerated by other group undertakings. The directors do not believe that it is practicable to apportion the remuneration of these directors between their services as directors of the company and their services to other group undertakings.

6. Investments

	Shares in group undertakings £
Cost	
At 1 January 2017 and 31 December 2017	<u>5,508,069</u>
Impairment	
At 1 January 2017 and 31 December 2017	<u>5,508,068</u>
Carrying amount	
At 31 December 2017	<u>1</u>
At 31 December 2016	<u>1</u>

Lifetime Brands Holdings Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2017

6. Investments *(continued)*

Subsidiaries, associates and other investments

Direct investments

Investments in subsidiaries comprises a 100% holding in Lifetime Brands do Brasil Participacoes Ltda, registered office: Avenida Cidade Jardim, No 400, 20th Floor, Jardins, Sao Paulo, Brazil.

7. Called up share capital

Issued, called up and fully paid

	2017		2016	
	No.	£	No.	£
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

8. Reserves

Share premium account - This reserve records the amount above the nominal value received for shares sold, less transaction costs.

Profit and loss account - This reserve records retained earnings and accumulated losses.

9. Controlling party

The immediate parent undertaking is Thomas Plant (Birmingham) Holdings Limited, a company incorporated in England. The ultimate parent undertaking and controlling party is Lifetime Brands Inc., which is incorporated in Delaware, United States of America.

Lifetime Brands Inc. is the parent undertaking of the largest and smallest group undertaking to consolidate these financial statements as 31 December 2017. The consolidated financial statements of Lifetime Brands Inc. are available from 1000 Stewart Avenue, Garden City, New York 11530, United States of America.