

Registered number  
09502828

Heritage Brand Ventures Ltd  
Report and Financial Statements  
31 January 2020



**Heritage Brand Ventures Ltd**  
**Report and accounts**  
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**Heritage Brand Ventures Ltd**  
**Company Information**

**Directors**

A J S Leech  
P M Johnson-Treherne

**Secretary**

G Johnson

**Auditor**

RSM UK Audit LLP  
14th Floor  
20 Chapel Street  
Liverpool  
L3 9AG

**Bankers**

Santander UK Plc  
Bridle Road  
Bootle  
Merseyside  
L30 4GB

**Solicitors**

Napthens LLP  
The Plaza  
100 Old Hall Street  
Liverpool  
L3 9QJ

**Registered office**

5th Floor  
88 Church Street  
Liverpool  
L1 3HD

**Registered number**

09502828

**Heritage Brand Ventures Ltd**  
**Strategic report**  
**for the year ended 31 January 2020**

**Principal activities**

The principal activity of Heritage Brand Ventures is the operation of branded attractions. The profit for the year, after taxation, amounted to £1,167,309 (2019:£365,583 loss). The directors do not recommend a final dividend.

**Business model**

Mattel Play! is home to three unique children's character themed play zones, plus a cafeteria, retail shop and green screen photo experience. Set in over 13,000 square feet of interactive adventure play, the attraction is located on the Albert Dock, Liverpool waterfront.

The attractions portfolio of interactive play, themed party rooms and green screen experience are split into three distinct themed zones, including 'Bob The Builder' for the young and enthusiastic construction apprentice, 'Thomas The Tank Engine' where children can discover Thomas and his friends and 'Fireman Sam' where children have the opportunity to roam Pontypandy's fire station and become a firefighter for the day.

**Business review and results**

Turnover in the year has fallen compared to the prior year although an element of this is planned as part of phased opening during the traditionally quieter periods of the year, outside of school holidays. This has allowed payroll and other overheads to be reduced. The directors believe that economic conditions for parents and changes in strategy to the Albert Dock as a whole have not helped the business and therefore meant that planned growth in visitor numbers and revenue have not been achieved.

The results include an impairment charge of £819,738 to reflect the current expectation of realisable value of the fixed assets, together with a release of FRS102 rent accrual of £199,289. The directors have also received formal confirmation from the company's parent company that the inter-company of £1,993,205 is not payable and has therefore been written back in the year.

The directors are pleased with the year end net asset position of £440 (2019: £1,166,869 liability).

**Key performance indicators**

The directors consider visitor numbers and spend per head to be key performance indicators.

Visitor numbers decreased by 4.6% compared to prior year, and spend per head decreased by 7.8% compared to prior year. The reason for the decrease is due to the reduction of trading days from 7 days a week to 5 days a week in term time and also due to a general downturn in trade.

The company usually aims to increase revenue and visitor numbers year on year, however, this year this did not happen and as a result the directors made the decision to permanently close the attraction in April 2020.

**Heritage Brand Ventures Ltd**  
**Strategic report (continued)**  
**for the year ended 31 January 2020**

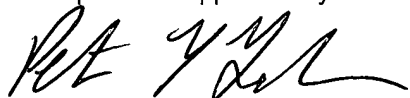
**Principal risks & uncertainties**

The objectives of the company are to manage the company's financial risk; secure cost effective funding for the company's operations, and to minimise the adverse effects of fluctuations in the financial markets on the company's financial assets and liabilities, on reported profitability and on the cash flows of the company.

**Future developments**

The directors made the decision to exercise the break clause available under the lease and have formally notified the landlord of this. Mattel Play! Liverpool will therefore close during 2020 to allow the property to be vacated by the break date. As noted above, the impact of this closure on rent, fixed assets and inter-company has been recognised in the current year. It is the intention of the directors to continue to seek out new ventures in the tourism and hospitality sector.

This report was approved by the board on 30 September 2020 and signed by its order.



P M Johnson-Treherne  
Director

**Heritage Brand Ventures Ltd**  
**Directors' report**  
**for the year ended 31 January 2020**

The directors present their report and financial statements for the year ended 31 January 2020.

**Directors and their interests**

The following persons served as directors during the year:

A J S Leech  
P M Johnson-Treherne

A J S Leech is a discretionary beneficiary of a Jersey Trust which, through Cherberry Limited, a Jersey company, owns the entire share capital of Heritage Great Britain PLC, the immediate holding company of Heritage Brand Ventures Limited.

**Results and dividends:**

The results for the year are set out on page 8. No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

**Disclosure of information to auditors**

Each person who was a director at the time this report was approved confirms that:

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

**Matters of strategic importance**

The company has chosen in accordance with Companies Act 2006, s.414C (11) to set out in the company's Strategic Report information required by Large and Medium sized Companies and Group (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the Directors' Report. It has done so in respect of future developments.

**Employee involvement**

The company's policy is to involve employees, wherever possible, in matters likely to affect employees' interests. Information regarding matters of concern is communicated to employees in order to raise employee awareness of the group's performance.

**Auditor**

The auditor, RSM UK Audit LLP is deemed to be reappointed under section 487(2) of the Companies Act 2006.

This report was approved by the board on 30 September 2020 and signed by its order.



G Johnson  
Company Secretary

**Registered Office**

5th Floor  
88 Church Street  
Liverpool  
L1 3HD

**Heritage Brand Ventures Ltd**  
**Statement of Directors' responsibilities**  
**for the year ended 31 January 2020**

The directors are responsible for preparing the Strategic report, the Directors report and 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 Accounting Standards (United Kingdom Generally Accepted Accounting Practice 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 period. 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;
- 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.

## **Independent auditors' report to the member of Heritage Brand Ventures Ltd**

### **Opinion**

We have audited the financial statements of Heritage Brand Ventures Limited for the year ended 31 January 2020, which comprise Profit and loss account and other comprehensive income, Balance sheet, Statement of changes in equity and notes to the financial statements, 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 January 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- 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.

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

We draw attention to note 1 in the financial statements, which indicates that it is likely that the group will breach a bank covenant in the next 12 months. Whilst the group has the continuing financial support of its bankers, a material uncertainty currently exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### **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.

### **Opinion 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.



## **Independent auditors' report to the member of Heritage Brand Ventures Ltd**

### **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 any material misstatements in the Directors' report.*

We have nothing to report in respect of the following matters where 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, set out on page 5, 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.

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.

*RSM UK Audit LLP*

Michael Fairhurst FCA (Senior Statutory Auditor)  
For and on behalf of RSM UK Audit LLP, Statutory Auditor  
Chartered Accountants  
14th Floor  
20 Chapel Street  
Liverpool  
L3 9AG  
Date: 1 October 2020

**Heritage Brand Ventures Ltd**  
**Profit and loss account and other comprehensive income**  
**for the year ended 31 January 2020**

	Notes	2020 £	2019 £
Turnover	2	513,592	582,851
Cost of sales		(135,490)	(163,368)
<b>Gross profit</b>		<b>378,102</b>	<b>419,483</b>
Administrative expenses		(1,342,708)	(729,850)
<b>Operating profit / (loss)</b>	3	<b>(964,606)</b>	<b>(310,367)</b>
Parent company loan write off		1,993,205	-
Interest payable	5	-	(55,099)
<b>Profit / (loss) on ordinary activities before taxation</b>		<b>1,028,599</b>	<b>(365,466)</b>
Tax on profit / (loss) on ordinary activities	6	138,710	(117)
<b>Profit / (loss) for the period</b>		<b>1,167,309</b>	<b>(365,583)</b>

The company has no recognised gains and losses other than the results above and therefore no separate statement of comprehensive income has been presented.

**Heritage Brand Ventures Ltd**  
**Balance sheet**  
**as at 31 January 2020**

Registered number  
09502828

	Notes	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	7	-	955,875
<b>Current assets</b>			
Stocks	8	4,624	15,712
Debtors	9	89,899	26,002
Cash at bank and in hand		57,839	1,499
		<u>152,362</u>	<u>43,213</u>
<b>Creditors: amounts falling due within one year</b>	10	(151,922)	(2,110,315)
<b>Net current liabilities</b>		<u>440</u>	<u>(2,067,102)</u>
<b>Total assets less current liabilities</b>		<u>440</u>	<u>(1,111,227)</u>
<b>Provisions for liabilities</b>			
Deferred taxation	11	-	(55,642)
<b>Net liabilities</b>		<u><u>440</u></u>	<u><u>(1,166,869)</u></u>
<b>Capital and reserves</b>			
Called up share capital	12	100	100
Profit and loss account	13	340	(1,166,969)
<b>Total equity</b>		<u><u>440</u></u>	<u><u>(1,166,869)</u></u>

The financial statements were approved by the board of directors and authorised for issue on 30 September 2020 and are signed on its behalf by:



P M Johnson-Treherne  
Director

**Heritage Brand Ventures Ltd**  
**Statement of changes in equity**  
**for the year ended 31 January 2020**

	Share capital	Profit and loss account	Total
	£	£	£
<b>At 1 February 2018</b>	100	(801,386)	(801,286)
Loss for the period		(365,583)	(365,583)
Dividends		-	-
<b>At 31 January 2019</b>	<u>100</u>	<u>(1,166,969)</u>	<u>(1,166,869)</u>
<b>At 1 February 2019</b>	100	(1,166,969)	(1,166,869)
Profit for the period	-	1,167,309	1,167,309
<b>At 31 January 2020</b>	<u>100</u>	<u>340</u>	<u>440</u>

**Heritage Brand Ventures Ltd**  
**Notes to the Accounts**  
**for the year ended 31 January 2020**

**1 Summary of significant accounting policies**

***Basis of preparation***

The financial statements have been prepared under the historical cost convention and in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland and the requirements of the Companies Act 2006

The company's immediate parent undertaking, Heritage Great Britain PLC, includes the Company in its consolidated financial statements. The consolidated financial statements of Heritage Great Britain PLC are available to the public and may be obtained from the address specified in note 17.

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:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash flow statement and related notes; and
- Key management personnel compensation.
- Basic financial instruments at carrying amount measured at amortised cost less impairment.

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

Monetary amounts in these financial statements are rounded to the nearest £, except where otherwise indicated.

***Turnover***

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services.

Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer.

***Tangible fixed assets***

Tangible fixed assets are measured at cost less accumulative depreciation and any accumulative impairment losses.

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Leasehold land and buildings	over the lease term
Plant and machinery	10% - 33%
Fixtures and fittings	12.50%

**Heritage Brand Ventures Ltd**  
**Notes to the Accounts**  
**for the year ended 31 January 2020**

***Going concern***

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus, the directors continue to adopt the going concern basis of accounting in preparing the financial statements. The directors accept that there is greater uncertainty in the UK economy in 2020 and 2021 than in recent years due to the impact of the Coronavirus. With this in mind, the forecasting has been prepared looking further ahead and the business has become much more focussed on cost saving and monitoring cash flows.

The board continues to update its forecasts on a more regular basis than normal as both internal and external factors or issues arise. The company has maintained a higher cash balance in the bank in 2020 than it usually would, to protect against any sudden downturn and ensure it can continue to meet liabilities as they fall due.

As a seasonal business, the company is well versed in preparing for periods with little or no cash inflow and have used this prudent approach to future trading levels when managing cash resources. The company's parent company has chosen to draw down on additional facilities to increase its cashflow headroom to further demonstrate its prudent approach to working capital management. The company's parent company has included within its scenario planning the possibility of further lockdowns which prevent trading.

***Material uncertainty***

The bank provides the company's parent company with a loan totalling £3,091,667 at 31 January 2020 repayable over the next 8 years and 10 months. Although the parent company's bankers have stated that it intends to support the Group through the next 12 months, it cannot specifically grant waivers of the parent company's forecasted breaches of the covenants over the entire 12 month period. The company's parent company will seek covenant waivers at each covenant date (otherwise the loan would technically become repayable on demand) as the bank will not waive a potential breach in advance and it anticipates that these requests will be met positively. The company's cash is managed on a group basis so any material uncertainty at Group level will impact the company.

In light of the general uncertainties posed by the pandemic across many businesses in the UK, the Directors recognise that there is a material uncertainty about the Company's ability to continue as a going concern. However, because of the support expressed by the Group's bankers the Directors have continued to prepare the financial statements on a going concern basis.

***Stocks***

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first in first out method.

The carrying amount of stock sold is recognised as an expense in the period in which the related revenue is recognised.

***Debtors***

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts.

***Creditors***

Short term creditors are measured at transaction price (which is usually the invoice price).

Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

**Heritage Brand Ventures Ltd**  
**Notes to the Accounts**  
**for the year ended 31 January 2020**

***Taxation***

Tax on the profit or loss for the year comprises current and deferred 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.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

***Expenses***

**Operating lease**

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with expected general inflation; in which case the payments related to the structured increases are recognised as incurred. Lease incentives received are recognised in profit and loss over the term of the lease as an integral part of the total lease expense.

Due to the exercise of the break clause on Mattel Play! Liverpool site, the company will recognise the lease incentive over the term of the lease to the break. This has resulted in an adjustment this year amount to £199,289 as it was previously recognised over the term of the lease in full.

**Finance lease**

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability using the rate implicit in the lease. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent rents are charged as expenses in the periods in which they are incurred.

**Interest receivable and Interest payable**

Interest payable and similar charges include interest payable, finance charges on finance leases recognised in profit or loss using the effective interest method. Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method.

***Pensions***

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

***Employee benefits***

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received. Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

***Cash and cash equivalents***

Cash and cash equivalents include cash in hand, deposits held at call with banks, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**Heritage Brand Ventures Ltd**  
**Notes to the Accounts**  
**for the year ended 31 January 2020**

***Critical accounting estimates and judgements***

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods. The Directors have reviewed the carrying value of the fixed assets within the Mattel Play! operation and due to the planned closure of the site in 2020, they are fully impaired and have been written down to nil net realisable value.

<b>2 Analysis of turnover</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
By class of business		
Attractions and admissions	348,812	354,661
Retail	70,371	113,629
Catering	94,409	114,561
	<u>513,592</u>	<u>582,851</u>
By geographical market:		
UK	<u>513,592</u>	<u>582,851</u>
<b>3 Operating profit / (loss)</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
This is stated after charging:		
Depreciation of owned fixed assets	138,137	139,251
Impairment charge	819,738	-
FRS102 rent adjustment	(199,289)	-
Parent company loan write off	(1,993,205)	-
Stock expensed as cost of sales	<u>135,490</u>	<u>163,368</u>
Auditors' fees and tax services are met by the parent company.		
<b>4 Staff costs</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Wages and salaries	147,521	212,306
Social security costs	6,856	9,353
Other pension costs	2,040	2,528
	<u>156,417</u>	<u>224,187</u>
Average number of employees during the year (head count) was:	<b>Number</b>	<b>Number</b>
Administration	<u>17</u>	<u>24</u>
Average number of employees during the year (full time equivalent) was:	<b>Number</b>	<b>Number</b>
Administration	<u>10</u>	<u>14</u>
Directors remuneration is met by the parent company.		
<b>5 Interest payable</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Finance charges payable under finance leases and hire purchase contracts	<u>-</u>	<u>55,099</u>



**Heritage Brand Ventures Ltd**  
**Notes to the Accounts**  
**for the year ended 31 January 2020**

**6 Taxation**

	2020 £	2019 £
<b>Analysis of charge in period</b>		
Current tax:		
UK corporation tax on profits of the period	-	-
Adjustments in respect of previous periods	-	-
	<u>-</u>	<u>-</u>
Deferred tax:		
Origination and reversal of timing differences	(138,710)	117
Effect of change in tax rate on opening liability	-	-
	<u>(138,710)</u>	<u>117</u>
 Total current tax	 <u>(138,710)</u>	 <u>117</u>

**Factors affecting tax charge for period**

The differences between the tax assessed for the period and the standard rate of corporation tax are explained as follows:

	2020 £	2019 £
Profit / (loss) for the year	1,167,309	(365,583)
Total tax credit / charge	138,710	(117)
 Profit / (loss) excluding taxation	 <u>1,028,599</u>	 <u>(365,466)</u>
 Standard rate of corporation tax in the UK	 19.00%	 19.00%
	£	£
Profit / (loss) on ordinary activities multiplied by the standard rate of corporation tax	195,434	(69,439)
Effects of:		
Expenses not deductible for tax purposes	(378,709)	-
Fixed asset difference	4,873	674
Deferred tax not recognised	35	716
Adjust closing deferred tax to average rate	9,777	(6,545)
Adjust opening deferred tax to average rate	6,545	6,616
Group relief surrendered	23,335	68,095
 Total tax charge for period	 <u>(138,710)</u>	 <u>117</u>

The rate of corporation tax applied to profits in this accounting period is 19%. A reduction in the tax rate to 17% with effect from 1 April 2020 has previously been substantively enacted. In the 2020 Finance Bill, which was substantively enacted on 17 March 2020, this reduction in rate was reversed and the previous corporation tax rate of 19% will continue to apply. Deferred tax has been calculated using the 17% rate, this being that prevalent at 31 January 2020. The directors do not expect the change in rate to have a material effect on the tax amounts included in the balance sheet.

**Heritage Brand Ventures Ltd**  
**Notes to the Accounts**  
**for the year ended 31 January 2020**

**7 Tangible fixed assets**

	<b>Fixtures and fittings £</b>	<b>Leasehold Land and buildings £</b>	<b>Plant and machinery £</b>	<b>Total £</b>
<b>Cost or valuation</b>				
At 1 February 2019	90,855	391,068	874,989	1,356,912
Additions	-	2,000	-	2,000
At 31 January 2020	<u>90,855</u>	<u>393,068</u>	<u>874,989</u>	<u>1,358,912</u>
<b>Depreciation</b>				
At 1 February 2019	32,970	113,299	254,768	401,037
Charge for the year	11,356	39,207	87,574	138,137
Impairment	46,529	240,562	532,647	819,738
At 31 January 2020	<u>90,855</u>	<u>393,068</u>	<u>874,989</u>	<u>1,358,912</u>
<b>Carrying amount</b>				
At 31 January 2020	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 January 2019	<u>57,885</u>	<u>277,769</u>	<u>620,221</u>	<u>955,875</u>

**8 Stocks**

	<b>2020 £</b>	<b>2019 £</b>
Catering	1,372	2,037
Finished goods and goods for resale	<u>3,252</u>	<u>13,675</u>
	<u>4,624</u>	<u>15,712</u>

**9 Debtors**

	<b>2020 £</b>	<b>2019 £</b>
Trade debtors	-	49
Deferred tax asset (see note 11)	83,068	-
Prepayments and accrued income	<u>6,831</u>	<u>25,953</u>
	<u>89,899</u>	<u>26,002</u>

**10 Creditors: amounts falling due within one year**

	<b>2020 £</b>	<b>2019 £</b>
Bank overdrafts	-	13,275
Trade creditors	14,173	18,971
Amounts owed to parent company	-	1,856,927
Other taxes and social security costs	16,263	13,090
Other creditors	3,925	3,406
Accruals and deferred income	<u>117,561</u>	<u>204,646</u>
	<u>151,922</u>	<u>2,110,315</u>

**Heritage Brand Ventures Ltd**  
**Notes to the Accounts**  
**for the year ended 31 January 2020**

**11 Deferred taxation**

	2020 £	2019 £
Accelerated capital allowances	(83,068)	55,642
	<u>(83,068)</u>	<u>55,642</u>
	2020 £	2019 £
At 1 February	55,642	55,525
Charged to the profit and loss in the year	(138,710)	117
	<u>(83,068)</u>	<u>55,642</u>
At 31 January	(83,068)	55,642

The amount of the net reversal of deferred tax expected to occur next year is £138,710 (2019: 117), relating to the reversal of existing timing differences on tangible fixed assets and the origination of new timing differences on tangible fixed assets.

12 Share capital	Nominal value	2020 Number	2020 £	2019 £
Allotted, called up and fully paid:				
Ordinary shares	£1 each	100	100	100
			<u>100</u>	<u>100</u>

Ordinary shares carry no right to fixed income, each carry the rate to one value at general meetings of the company.

**13 Profit and loss account**

Cumulative profit and loss net of distribution to owners.

**14 Other financial commitments**

Total future minimum lease payments under non-cancellable operating leases:

	Land and buildings 2020 £	Land and buildings 2019 £
Falling due:		
within one year	83,333	95,000
within two to five years	-	450,013
in over five years	-	1,833,400
	<u>83,333</u>	<u>2,378,413</u>

**15 Controlling party**

The company is a wholly owned subsidiary of Heritage Great Britain PLC, which is registered in England and Wales. Copies of Heritage Great Britain PLC accounts are available from its registered office: 5th Floor, 88 Church Street, Liverpool, L1 3HD. The entire share capital of Heritage Great Britain PLC is wholly owned by a Jersey company, Cherberry Limited. Cherberry Limited is wholly owned by the Trustees of a settlement. In the opinion of the directors, there is no single individual or entity that can or does exercise ultimate control, as defined under FRS102 Section 33, over that Trust.

**16 Legal form of entity and country of incorporation**

Heritage Brand Ventures Ltd is a private company limited by shares, incorporated in England.

**Heritage Brand Ventures Ltd**  
**Notes to the Accounts**  
**for the year ended 31 January 2020**

**17 Principal place of business**

The address of the company's principal place of business and registered office is:

**Principal Place of Business:**

The Grand Hall  
Albert Dock  
Liverpool  
L3 4AA

**Registered Office:**

5th Floor  
88 Church Street  
Liverpool  
L1 3HD