

Company registered number: 02314631

Bluebird Toys (UK) Limited
Annual report and financial statements
for the year ended 31 December 2019



Bluebird Toys (UK) Limited

Annual report and financial statements for the year ended 31 December 2019

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Directors' report for the year ended 31 December 2019

The directors present their annual report and the audited financial statements of Bluebird Toys (UK) Limited (the "Company") for the year ended 31 December 2019. The Directors have taken the small companies exemption from preparing a Strategic report within s414b of the Companies Act 2006 has been taken. Since the prior year financial statements were unaudited any comparatives in this set of financial statements are also unaudited.

Principal activities

The Company distributed toys, games and child related products under an agreement with Mattel U.K. Limited as the agent, and during 2017 continued to hold intellectual property (IP) rights and other contractual rights for which it received royalty income. This agency agreement was terminated as of the end of 2017 when the IP was sold and has since this date been non trading.

Review of business and future developments

The financial performance and position of the Mattel UK group is discussed in the financial statements of Mattel U.K. Limited, the principal trading company of the UK group. Bluebird Toys (UK) Limited did not trade in the financial year ended 31 December 2019 or the financial year ended 31 December 2018.

On 2 December 2019 the Directors of the company approved a resolution to reduce the Company's issued share capital by a solvency statement procedure. The issued share capital was reduced from £10,000 divided into 10,000 Ordinary Shares of £1.00 each to £1.00 being one Ordinary Share of £1.00 by cancelling and extinguishing 9,999 Ordinary Shares of £1.00 each. The purpose of this reduction was to increase the Company's distributable reserves for the Company to undertake a distribution in financial year ended 31 December 2019 to its sole shareholder Bluebird Toys Limited of £3,251,675.

The Directors do not expect to trade in the future and the company will remain as a dormant entity until liquidated in the future, accordingly these financial statements have been prepared on a basis other than going concern.

Results and dividends

The Company did not trade in either 2019 or 2018. A dividend of £3,251,675 has been declared for the year (2018: £nil). The net assets for the financial year are £nil (2018: £3,252,000).

Principal risks and uncertainties

As entity no longer trades and holds no assets or liabilities there are limited risks and uncertainties impacting the business.

The company has assessed the impact on the business and its financial position as a result of the ongoing COVID-19 pandemic. Given the company is expected to be dormant going forwards no significant impact to the business is expected.

The company has assessed the impact on the business from Brexit and given that the company is not-trading do not see any significant impact to the company.

Key performance indicators

The directors of Mattel U.K. Limited manage the UK group's operations on a divisional basis. As the company has been non-trading in the year, the directors believe that analysis using key performance indicators for this company is not relevant. The development, performance and position of the group is discussed in the financial statements of Mattel U.K. Limited.

Directors' report for the year ended 31 December 2019 (continued)

Directors

The directors, who held office during the year and up to the date of signing the financial statements, are as follows:

P Bapna	appointed 11 January 2019
D Ikin	resigned 11 January 2019
M Hick	

Company secretary

S K Tung

Registered office

3rd Floor, The Porter Building, 1 Brunel Way, Slough, Berkshire, SL1 1FQ.

Directors' indemnities

As permitted by the Articles of Association, the directors have the benefit of an indemnity which is a qualifying third-party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The Company also purchased and maintained throughout the financial year directors' and officers' liability insurance in respect of itself and its directors.

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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. (See note 1 for further details).

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.

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.

Directors' report for the year ended 31 December 2019 (continued)

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.

By order of the board



S K Tung

Company secretary

Date 20/10/20

Bluebird Toys (UK) Limited

Independent auditors' report to the members of Bluebird Toys (UK) Limited

Report on the audit of the financial statements

Opinion

In our opinion, Bluebird Toys (UK) Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual report and financial statements (the "Annual Report"), which comprise: the statement of financial position as at 31 December 2019; the statement of comprehensive income and the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Emphasis of matter - financial statements prepared on a basis other than going concern

In forming our opinion on the financial statements, which is not modified, we draw attention to note 1 to the financial statements which describes the directors' reasons why the financial statements have been prepared on a basis other than going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for 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 to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Bluebird Toys (UK) Limited

Independent auditors' report to the members of Bluebird Toys (UK) Limited (continued)

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements set out on page 2, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for 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.

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.

Auditors' 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 auditors' 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 FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

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

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

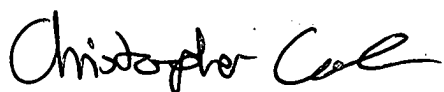
Bluebird Toys (UK) Limited***Independent auditors' report to the members of
Bluebird Toys (UK) Limited (continued)***

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

Other matter

The financial statements for the year ended 31 December 2018, forming the corresponding figures of the financial statements for the year ended 31 December 2019, are unaudited.



Christopher Cook (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Reading

20 October 2020

Bluebird Toys (UK) Limited
**Statement of comprehensive income for the year ended 31
December 2019**

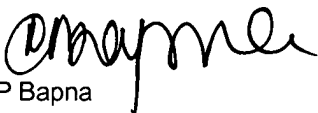
		2019	Unaudited 2018
	Note	£'000	£'000
Other operating income		-	-
Operating result		-	-
Result before taxation		-	-
Tax		-	-
Result for the financial year		-	-
Total comprehensive income for the year		-	-

Bluebird Toys (UK) Limited

Statement of financial position as at 31 December 2019

	Note	2019 £'000	Unaudited 2018 £'000
Current assets			
Debtors	3	-	3,523
		-	3,523
Creditors - amounts falling due within one year	4	-	(271)
Net current assets		-	3,252
Net assets		-	3,252
Capital and reserves			
Called up share capital	5	-	10
Retained earnings		-	3,242
Total equity		-	3,252

The notes on pages 10 to 13 are an integral part of these financial statements. The financial statements on pages 7 to 13 were approved by the board of directors on 20/10/20 and were signed on its behalf by:



P Bapna

Director

Company registered number: 02314631

Bluebird Toys (UK) Limited
Statement of changes in equity for the year ended 31 December 2019

	Called up Share Capital £'000	Retained earnings £'000	Total equity £'000
At 1 January 2018 (unaudited)	10	3,242	3,252
At 31 December 2018 (unaudited)	10	3,242	3,252
At 1 January 2019	10	3,242	3,252
Capital Reduction	(10)	10	-
Dividends	-	(3,252)	(3,252)
At 31 December 2019	-	-	-

Bluebird Toys (UK) Limited

Notes to the financial statements for the year ended 31 December 2019

1. Accounting policies

(a) General Information

Bluebird Toys (UK) Limited is a private company limited by shares and is incorporated and domiciled in England and Wales. The address of the registered office is 3rd Floor, The Porter Building, 1 Brunel Way, Slough, Berkshire, SL1 1FQ.

The company formerly distributed toys, games and child related products under an agreement with Mattel U.K. Limited as the agent and continued to hold intellectual property rights and other contractual rights for which it received royalty income. This agency agreement was terminated as of the end of 2017 when the IP was sold. Consequently, there will be no future royalty income and the company no longer trades.

(b) Statement of Compliance

The individual financial statements of Bluebird Toys (UK) Limited have been prepared in compliance with United Kingdom Accounting Standards including the Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

(c) Basis of preparation

The Directors have not prepared the financial statements on a going concern basis. The Directors do not intend to trade and so they have not prepared the financial statements on a going concern basis for the year ended 31 December 2019. The Directors plan to liquidate the company in due course. No adjustments have been required in the current year to reduce assets or liabilities to their recoverable value, or in relation to reclassification of non-current assets or liabilities to current assets or liabilities as a result of preparing the accounts on a non-going concern basis.

As the Company was dormant in the prior year, the prior year financial statements were unaudited and any comparatives in this set of financial statements are also unaudited.

(d) Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions. A qualifying entity is defined as a member of a group that prepares publicly available financial statements, which gives a true and fair view, in which that member is consolidated. Bluebird Toys (UK) Limited is a qualifying entity as its results are consolidated in the consolidated financial statements of Mattel Inc. which are publicly available.

As a qualifying entity, the company has taken advantage of the following exemption:

- (I) from the requirement to prepare a statement of cash flows as required by paragraph 3.17(d) of FRS 102;
- (II) from the requirement to disclose the related party transactions as required by FRS 102 paragraph 33.8;
- (III) from the requirement to present financial instrument disclosures, as required by FRS 102 paragraph 11.39 to 11.48A, paragraphs 12.26 and 12.29;
- (IV) from the requirement to present a reconciliation of the number of shares outstanding at the beginning and end of the period as required by paragraph 4.12(a)(iv).

Bluebird Toys (UK) Limited

Notes to the financial statements for the year ended 31 December 2019 (continued)

1. Accounting policies (continued)

(e) Foreign currencies

The company's functional and presentation currency is the pound sterling.

Trading transactions denominated in foreign currency are translated into sterling at rates applicable at the time of the relevant transaction. All such exchange gains and losses are included in the statement of comprehensive income as incurred. Foreign currency monetary assets and liabilities held at year end are translated at the appropriate exchange rate as at the statement of financial position date.

(f) Financial Instruments

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

(i) Financial assets

Basic financial assets, including other receivables, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

(ii) Financial liabilities

Basic financial liabilities, including other payables, and loans from fellow group companies, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

(g) Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(h) Related Party transactions

As a wholly owned subsidiary, Bluebird Toys (UK) Limited is exempt under the terms of Section 33.1A of FRS 102 "Related party disclosures" from disclosing related transactions with entities that are owned wholly within Mattel Inc. group. There are no related party transactions other than with entities wholly owned within the Mattel Inc. group.

(i) Critical Accounting judgements and estimation uncertainty

Estimates and judgements 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.

There were no such critical accounting estimates or judgements in the period ended 31 December 2019.

Bluebird Toys (UK) Limited

Notes to the financial statements for the year ended 31 December 2019 (continued)

2. Directors, employees and auditors' remuneration

The Company had no employees in the current year or prior year. Directors are remunerated by fellow group company Mattel U.K. Limited, and costs for which are not recharged to Bluebird Toys (UK) Limited as their services to the company are incidental to their services to the group. Auditors' remuneration in the current and prior year has also been borne by fellow group company Mattel U.K. Limited.

During the year, 2 (2018: 2) directors exercised share options in the ultimate parent company Mattel Inc.

3. Debtors

	2019 £'000	Unaudited 2018 £'000
Amounts owed by group undertakings	-	3,523

Amounts due from group undertakings are unsecured, interest free and repayable on demand.

4. Creditors amounts falling due within one year

	2019 £'000	Unaudited 2018 £'000
Amounts owed to group undertakings	-	239
Corporation tax	-	29
Accruals and deferred income	-	3
	-	271

Bluebird Toys (UK) Limited

Notes to the financial statements for the year ended 31 December 2019 (continued)

5. Called up share capital

	2019	Unaudited 2018
	£'000	£'000
Authorised		
1,000,000 (2018: 1,000,000) ordinary shares of £1 each	1,000	1,000
Allotted and fully paid		
1 (2018: 10,000) ordinary shares of £1 each	-	10

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and repayment of capital.

On 2 December 2019 the Directors of the Company approved a resolution to reduce the Company's issued share capital by a solvency statement procedure. The issued share capital was reduced from £10,000 divided into 10,000 Ordinary Shares of £1.00 each to £1.00, being one Ordinary Share of £1.00 by cancelling and extinguishing 9,999 Ordinary Shares of £1.00 each.

6. Dividends

The purpose of the share capital reduction by solvency statement was to increase the Company's distributable reserves for the Company prior to undertaking a distribution in financial year ended 31 December 2019 to its sole shareholder Bluebird Toys Limited of £3,251,675. The dividend was not paid in cash and was offset against the intercompany debtor the Company had with fellow group company Mattel U.K. Limited.

7. Ultimate parent undertaking and controlling party

The directors regard Bluebird Toys Limited, a company incorporated in England & Wales, to be the immediate parent undertaking.

The directors also regard Mattel Inc. a company incorporated in the USA, as the ultimate parent company, the ultimate controlling party, and the smallest and largest group for which consolidated financial statements which include Bluebird Toys (UK) Limited, are available.

A copy of the consolidated financial statements of Mattel Inc. can be obtained from Mattel Inc., El Segundo, California, CA90425, USA.