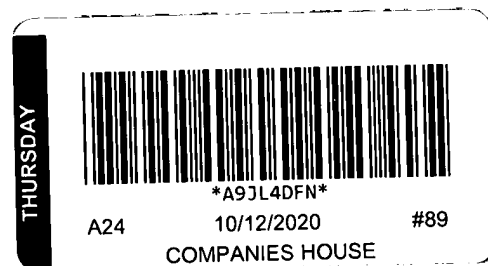


Resolution (Brands) Limited
Filleted Financial Statements
31 December 2019



Resolution (Brands) Limited

Statement of Financial Position

31 December 2019

	Note	2019 £	2018 £
Current assets			
Debtors	4	51,515	13,688
Cash and cash equivalents		10,282	34,502
		<u>61,797</u>	<u>48,190</u>
Creditors: amounts falling due within one year	5	32,192	22,254
Net current assets		<u>29,605</u>	<u>25,936</u>
Total assets less current liabilities		<u>29,605</u>	<u>25,936</u>
Net assets		<u>29,605</u>	<u>25,936</u>
Capital and reserves			
Called up share capital	7	1	1
Capital contribution		427,842	427,842
Profit and loss account		(398,238)	(401,907)
Shareholder's funds		<u>29,605</u>	<u>25,936</u>

In accordance with section 444 of the Companies Act 2006, the income statement has not been delivered.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions of the Companies Act 2006 and in accordance with the provisions of FRS 102 - Section 1A - Small entities.

These financial statements were approved by the board of directors and authorised for issue on 14 September 2020, and are signed on behalf of the board by:



Sir C A Cowdery
Director

Company registration number: 06455781

The notes on pages 2 to 5 form part of these financial statements.

Resolution (Brands) Limited

Notes to the Financial Statements

Year ended 31 December 2019

1. General information

The Company is a private company limited by shares, registered in England and Wales. The address of the registered office is The Caxton Brewers' Green, 3rd Floor, London, SW1H 0RH, England. The principal activity of the Company is that of trademark licensing and management.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of 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 measured at fair value through profit or loss.

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

Monetary assets and liabilities denominated in foreign currencies are translated into sterling, which is the Company's functional and presentational currency, at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are initially recorded in the Company's functional currency by applying the spot exchange rate ruling at the date of the transaction. Exchange gains and losses are taken to the profit and loss account.

The prior period figures cover a period of less than 12 months and are therefore not entirely comparable with the current year.

Cash flow statement

The Company as a small entity has taken advantage of the exemption in section 1A of FRS 102 from the requirement to prepare a statement of cash flows.

Going concern

The Resolution Life trademarks continue to be used and valued by the Company's ultimate owner, parent and entities under common control the 'Resolution Life Group' which is in itself well funded and positioned to withstand the COVID-19 pandemic and the impact on financial markets. While the magnitude and duration of the financial impact is not fully known the Company is well positioned to continue to operate and service the Resolution Life Group whose business model and acquisition pipeline remains robust. The director has concluded that the COVID-19 pandemic has not and will not have a material impact on the Company's ability to operate.

The Company has the ability to increase its license fee income to cover the costs of servicing the trademarks as and when required and has sufficient cash to meet its liabilities in the short term. Therefore, the director is satisfied that the Company has adequate resources to operate as a going concern for the foreseeable future and has prepared the financial statements on that basis.

Resolution (Brands) Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2019

3. Accounting policies *(continued)*

Judgements and key sources of estimation uncertainty

Areas where such judgements, estimates and assumptions have been made include the recoverability of receivables. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied and services rendered, stated net of discounts and of Value Added Tax.

Revenue is recognised to the extent that the Company obtains the right to consideration in exchange for its performance. Turnover represents fees receivable for licensing, administrative and consultancy services provided during the year in respect of servicing the Resolution Brand and its trademarks and arises from continuing activities in the UK. This is recognised on an accruals basis.

Financial instruments

Financial assets and financial liabilities are recognised in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Trade receivables

Trade receivables are measured at fair value on initial recognition. Appropriate allowances for estimated irrecoverable amounts are recognised in profit and loss when there is objective evidence that the asset is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and in hand and short-term deposits with an original maturity date of three months or less.

Trade payables

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

Financial liabilities and equity

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into.

Provisions

A provision is recognised when the Company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation. The effect of the time value of money is not material and therefore the provisions are not discounted.

Resolution (Brands) Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2019

4. Debtors

	2019	2018
	£	£
Trade receivables	48,777	–
Other receivables	2,738	13,688
	<u>51,515</u>	<u>13,688</u>

5. Creditors: amounts falling due within one year

	2019	2018
	£	£
Trade payables	25,640	6,626
Accruals and other payables	6,552	15,628
	<u>32,192</u>	<u>22,254</u>

6. Deferred tax

The Company has tax losses in the UK of £360,217 (2018: £363,886) that are available indefinitely for offset against future taxable profits. A deferred tax asset has not been recognised in respect of these losses as the Company expects to break even but not make a profit in the future. If the losses were to be realised against the current rate of UK corporation tax then they would generate a tax saving of £61,237.

7. Called up share capital

Issued, called up and fully paid

	2019		2018	
	No.	£	No.	£
Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

8. Events after the end of the reporting period

During the recent outbreak of the Coronavirus Disease 2019 ('COVID-19'), a series of precautionary and control measures have been implemented by different authorities around the globe. While the Group's Management has been closely monitoring the impact of the COVID-19 outbreak on the Group's businesses and will keep evaluating the impact as the situation continues to evolve and further information becomes available, the nature of this non-adjusting event means that the Company director considers that there is no financial or operational impact on the Resolution Life Group entities including Resolution (Brands) Limited.

9. Summary audit opinion

The auditor's report on the financial statements for the year ended 31 December 2019 was unqualified.

The audit report was signed on 14 September 2020 by John Perry (Senior Statutory Auditor) on behalf BDO LLP.

Resolution (Brands) Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2019

10. Related party transactions

During the year the Company entered into the following transactions with related parties:

	Transaction value	
	2019	2018
	£	£
Resolution Capital Limited	—	3,543
Resolution Operations LLP	—	354
	<u>—</u>	<u>3,897</u>

The Company has taken advantage of the exemption offered by FRS 102 from disclosing transactions with other wholly owned members of the wider 'Resolution Life' group.

The Company has provided licences for use of the 'Resolution Life' name to entities under common control, and two other related parties, Resolution Operations LLP and Resolution Capital Limited. These licence agreements were terminated on 8 August 2018. The two entities are related by virtue of them being wholly owned by C A Cowdery, the sole director of the Company.

11. Controlling party

The immediate parent company is Resolution Life Group Services Limited, a company incorporated in England in Wales.

The financial statements of Resolution Life Group Services Limited are the largest and smallest group in which the results of the Company are consolidated. These are publicly available from Companies House, Cardiff.

The ultimate parent company is Resolution Life Group Holdings LP, a limited partnership incorporated in Bermuda. In the opinion of the director, Resolution Life Group Holdings LP is not under the control of any single party.