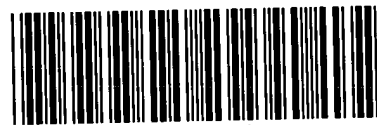


COMPANY REGISTRATION NUMBER: 07810575

**Lifetime Brands Holdings Limited**  
**Financial Statements**  
**31 December 2020**

THURSDAY



\*AAKET0IQ\*

A05

30/12/2021

#285

COMPANIES HOUSE

# **Lifetime Brands Holdings Limited**

## **Financial Statements**

**Year ended 31 December 2020**

<b>Contents</b>	<b>Page</b>
Officers and professional advisers	<b>1</b>
Strategic report	<b>2</b>
Directors' report	<b>3</b>
Independent auditor's report	<b>5</b>
Profit and loss account	<b>9</b>
Balance sheet	<b>10</b>
Notes to the financial statements	<b>11</b>

## **Lifetime Brands Holdings Limited**

### **Officers and Professional Advisers**

**The board of directors**

Mr J G Siegel  
Mr R B Kay  
Mr M B Canwell  
Mr L Winoker

**Company secretary**

Gateley Secretaries Limited

**Registered office**

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 2020**

#### **Principal activities and business review**

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' 2020 Annual Report, which does not form part of this report.

During the year the company received cash proceeds in connection with the winding up and dissolution of its subsidiary Lifetime Brands do Brasil Participadoes Ltda of US\$360,156 (£291,451). The company then entered into an intra-group loan agreement to lend these funds to Lifetime Brands Europe Limited.


After foreign exchange differences the profit before tax for the year amounted to £265,225 (31 December 2019: £nil).

#### **Financial risk management objectives and policies**

The group has suitable policies in place to manage risks facing the company, and these are outlined in the financial statements of Lifetime Brands, Inc. As a holding company, the company's key risks relate to the recoverability of amounts due from fellow subsidiaries within the Lifetime Brands Inc. subgroup.

During the year and after the year end the Covid-19 pandemic has created additional risk to the operations of the company's fellow subsidiaries. This risk is being managed by the directors and management of the individual trading subsidiaries and overseen by the Lifetime Brands, Inc board.

This report was approved by the board of directors on 22 December 2021 and signed on behalf of the board by:

DocuSigned by:  
  
47577BAA982F43F...  
Mr M B Canwell  
Director

Registered office:  
One Eleven  
Edmund Street  
Birmingham  
B3 2HJ

## **Lifetime Brands Holdings Limited**

### **Directors' Report**

#### **Year ended 31 December 2020**

The directors present their report and the financial statements of the company for the year ended 31 December 2020.

#### **Directors**

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

Mr J G Siegel  
Mr R B Kay  
Mr M B Canwell  
Mr L Winoker

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**

The directors have prepared a forecast for the business through to the end of December 2022. This forecast indicates that the company will be able to continue to meet its liabilities as they fall due only with the ongoing support of other group entities.

The company has therefore obtained written confirmation from Lifetime Brands Inc. that it is able to and will provide financial support to the company to enable it to meet its liabilities as they fall due, but only to the extent that other monies are not available to do so, for a period of at least 12 months from the date of approval of these financial statements through to no earlier than 31 December 2022.

The directors note that the operating cash flows of the group have improved through 2021 due to positive trading performance in the first half of the year, stock rationalisation, reduced capital expenditure and active management of working capital such that at 30 September 2021 the group's published results indicated a cash balance of \$9m, term loan debt of \$252m and no amounts drawn under the group's \$150m asset based lending facility.

Having considered the ability of Lifetime Brands Inc. to provide this financial support through to the end of December 2022, the directors have concluded that the company will have adequate resources to continue in operational existence for a period of at least 12 months from the date of approval of these financial statements. Accordingly, they continue to adopt the going concern basis in preparing these financial statements.

#### **Statement under s.172(1)**

The directors have acted to promote the success of the company for the benefit of shareholders as a whole. In carrying out that role, the directors have also had regard for broader matters and other key stakeholders as explained below and elsewhere within this annual report. The directors and management team in the United Kingdom are integrated into, and work in conjunction with the directors and senior management team of Lifetime Brands as a whole in the United States of America. The annual report of Lifetime Brands Inc. is available on its website and explains the significant decisions and actions taken by the directors.

The main purpose of the Company was as an intermediate holding company which held investments in subsidiary undertakings with an objective to provide appropriate returns for its shareholder. The company's subsidiary in Brazil has been dormant for several years following the decision to terminate the Group's investment in Brazil. The company received cash proceeds in connection with the winding up and dissolution of its subsidiary. The onward loan of the proceeds to other group entities was considered to be the most appropriate use of the cash generated for all relevant stakeholders.

## Lifetime Brands Holdings Limited

### Directors' Report *(continued)*

Year ended 31 December 2020

#### 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). The financial statements are required by law to 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 judgments and 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 proper accounting records that 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.


The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

#### 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 22 December 2021 and signed on behalf of the board by:

DocuSigned by:  
  
47577BAA982F43F...  
Mr M B Canwell  
Director

Registered office:  
One Eleven  
Edmund Street  
Birmingham  
B3 2HJ

## **Lifetime Brands Holdings Limited**

### **Independent Auditor's Report**

**Year ended 31 December 2020**

#### **Opinion**

We have audited the financial statements of Lifetime Brands Holdings Limited for the year ended 31 December 2020 which comprise the Profit and Loss Account, Balance Sheet and the related notes 1 to 11, 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 company's affairs as at 31 December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

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

#### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue through to no earlier than 31 December 2022.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

## **Lifetime Brands Holdings Limited**

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

*(continued)*

**Year ended 31 December 2020**

#### **Other information**

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

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the 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 set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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



## **Lifetime Brands Holdings Limited**

### **Independent Auditor's Report *(continued)***

**Year ended 31 December 2020**

#### **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.

#### **Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant those that relate to the reporting framework (FRS 102 and the Companies Act 2006);
- We understood how Lifetime Brands Holdings Limited is complying with those frameworks by making enquiries of management to identify if there are matters where there is a risk of breach of such frameworks that could have a material adverse impact on the Company. We read the minutes of the Board of Directors and we reviewed the legal expenses incurred to identify any litigation or claims in relation to breaches of these frameworks;
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by meeting with management to understand where they considered there was susceptibility to fraud. We considered the programmes and controls that the entity has established to address identified risks, or that otherwise prevent or detect fraud; and how senior management monitors those programs and controls. Due to the nature of the company and its limited levels of activity, we identified limited areas where the risk of fraud was considered to be higher, but where this was the case, we performed audit procedures to address the identified fraud risk. These procedures principally comprised identifying the existence of manual journals and where necessary testing those journals to provide reasonable assurance that the financial statements were free from material fraud;
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures enquiries of management, internal audit and, where relevant, legal counsel and performing focused testing on manual journals.

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

# **Lifetime Brands Holdings Limited**

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

**Year ended 31 December 2020**

### **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.



Andrew Merrick (Senior statutory auditor)

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

22 December 2021

# Lifetime Brands Holdings Limited

## Profit and Loss Account

Year ended 31 December 2020

	Note	2020 £	2019 £
Administrative expenses		(26,226)	—
Profit on disposal of shares in subsidiary	8	291,451	—
<b>Operating profit</b>	<b>4</b>	<b>265,225</b>	<b>—</b>
<b>Profit before taxation</b>		<b>265,225</b>	<b>—</b>
Tax on profit	7	—	—
<b>Profit for the financial year and total comprehensive income</b>		<b>265,225</b>	<b>—</b>
<b>Retained losses at the start of the year</b>		<b>(5,508,068)</b>	<b>(5,508,068)</b>
<b>Retained losses at the end of the year</b>		<b>(5,242,843)</b>	<b>(5,508,068)</b>

All the activities of the company are from continuing operations.

The notes on pages 11 to 15 form part of these financial statements.

## Lifetime Brands Holdings Limited

## Balance Sheet

31 December 2020

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Investments	8	—	1
<b>Current assets</b>			
Debtors	9	<u>265,226</u>	—
<b>Net current assets</b>		<u>265,226</u>	—
<b>Total assets less current liabilities</b>		<u>265,226</u>	<u>1</u>
<b>Capital and reserves</b>			
Called up share capital	11	2	2
Share premium account	12	5,508,067	5,508,067
Profit and loss account	12	<u>(5,242,843)</u>	<u>(5,508,068)</u>
<b>Shareholders funds</b>		<u>265,226</u>	<u>1</u>

These financial statements were approved by the board of directors and authorised for issue on 22 December 2021 and are signed on behalf of the board by:

DocuSigned by:

Matthew Benedict Canwell

47577BAA982F43F  
Mr M B Canwell  
Director

Company registration number: 07810575

The notes on pages 11 to 15 form part of these financial statements.

## **Lifetime Brands Holdings Limited**

### **Notes to the Financial Statements**

**Year ended 31 December 2020**

**1. General information**

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 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**

The directors have prepared a forecast for the business through to the end of December 2022. This forecast indicates that the company will be able to continue to meet its liabilities as they fall due only with the ongoing support of other group entities.

The company has therefore obtained written confirmation from Lifetime Brands Inc. that it is able to and will provide financial support to the company to enable it to meet its liabilities as they fall due, but only to the extent that other monies are not available to do so, for a period of at least 12 months from the date of approval of these financial statements through to no earlier than 31 December 2022.

The directors note that the operating cash flows of the group have improved through 2021 due to positive trading performance in the first half of the year, stock rationalisation, reduced capital expenditure and active management of working capital such that at 30 September 2021 the group's published results indicated a cash balance of \$9m, term loan debt of \$252m and no amounts drawn under the group's \$150m asset based lending facility.

Having considered the ability of Lifetime Brands Inc. to provide this financial support through to the end of December 2022, the directors have concluded that the company will have adequate resources to continue in operational existence for a period of at least 12 months from the date of approval of these financial statements. Accordingly, they continue to adopt the going concern basis in preparing these 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.

**Lifetime Brands Holdings Limited**  
**Notes to the Financial Statements** *(continued)*  
**Year ended 31 December 2020**

**3. Accounting policies** *(continued)*

**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.

**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.

**Foreign currencies**

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

**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**

Operating profit or loss is stated after charging:

	2020	2019
	£	£
Foreign exchange differences	<u>26,226</u>	<u>—</u>

**5. Auditor's remuneration**

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

# Lifetime Brands Holdings Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

### 6. 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.

### 7. Tax on profit

#### Reconciliation of tax income

The tax assessed on the profit on ordinary activities for the year is lower than (2019: the same as) the standard rate of corporation tax in the UK of 19% (2019: 19%).

	2020 £	2019 £
Profit on ordinary activities before taxation	265,225	—
Profit on ordinary activities by rate of tax	50,393	—
Unused tax losses	4,983	—
Capital proceeds on disposal of investment	(55,376)	—
Tax on profit	—	—

#### Factors that may affect future tax income

Finance (No 2) Act 2015 and Finance Act 2016 provided for reductions in the main rate of corporation tax to 19% effective from 1 April 2017 and to 17% effective from 1 April 2020. Finance Act 2019 amended the main rate of corporation tax, which will now remain at 19%.

Finance Act 2021 will increase the main rate of corporation tax to 25% effective from 1 April 2023. This change was announced at the budget on 3 March 2021 and the Act received Royal Assent on 10 June 2021. Accordingly this rate change was not substantively enacted at 31 December 2020.

### 8. Investments

	Shares in group undertakings £
<b>Cost</b>	
At 1 January 2020	5,508,069
Disposals	(5,508,069)
<b>At 31 December 2020</b>	—
<b>Impairment</b>	
At 1 January 2020	5,508,068
Disposals	(5,508,068)
<b>At 31 December 2020</b>	—
<b>Carrying amount</b>	
At 31 December 2020	—
At 31 December 2019	1

# Lifetime Brands Holdings Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

### 8. Investments *(continued)*

On 5 May 2020, the subsidiary Lifetime Brands do Brasil Participacoes Ltda was dissolved. It made a capital distribution on cancellation of its shares. Those funds have been loaned to another 100% group company, Lifetime Brands Europe Limited.

### 9. Debtors

	2020	2019
	£	£
Amounts owed by group undertakings	<u>265,226</u>	<u>—</u>

The loan due from Lifetime Brands Europe Limited is denominated in US dollars, interest free, unsecured, and repayable on demand.

### 10. Deferred tax

The deferred tax account consists of the tax effect of timing differences in respect of:

	2020	2019
	£	£
Unused loan relationship deficits	4,983	—
Unused capital losses	991,157	—
Tax losses not recognised	(996,140)	—
	<u>—</u>	<u>—</u>

Deferred tax assets of £4,983 and £991,157 relating to loan relationship and capital losses carried forwards are not recognised due to uncertainty about the timing of future taxable profits. These amounts are calculated at 19%, the rate of UK corporation tax substantially enacted as at 31 December 2020.

### 11. Called up share capital

Issued, called up and fully paid

	2020		2019	
	No.	£	No.	£
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

### 12. 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.



## **Lifetime Brands Holdings Limited**

### **Notes to the Financial Statements** *(continued)*

**Year ended 31 December 2020**

#### **13. 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 2020. The consolidated financial statements of Lifetime Brands Inc. are available from 1000 Stewart Avenue, Garden City, New York 11530, United States of America.