Company Registration No. 11666025 (England and Wales)

REVOLUTION BEAUTY TOPCO LIMITED

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2019

REVOLUTION BEAUTY TOPCO LIMITED

COMPANY INFORMATION

Directors	T D Allsworth D M Miles A N Minto C Welch
Company number	11666025
Registered office	C/O Revolution Beauty Holdings Ltd 2-3 Sheet Glass Road Cullet Drive Queenborough United Kingdom ME11 5JS
Auditor	BDO LLP 2 City Place Beehive Ring Road Gatwick West Sussex RH6 0PA

The directors present the strategic report for the year ended 31 December 2019.

Fair review of the business

	2019	2018 (Restated)
	£'M	£'M
Turnover	**136.5**	**99.9**
Adjusted gross profit	60.8	43.0
	45%	43%
Direct expenses	(16.8)	(13.1)
Marketing & overheads	(33.7)	(18.4)
Depreciation & amortisation	(11.2)	(7.3)
EBIT	(0.9)	4.2
Interest	(4.5)	(0.6)
PBT	**(5.4)**	**3.6**
EBITDA	**10.3**	**11.5**
Total non-cash items	**2.1**	**0.9**
Total non-recurring items	**2.5**	**0.5**
Adjusted EBITDA	**14.9**	**12.9**
% of Revenue	10.9%	12.9%

Adjusted Gross Profit is Turnover, less cost of product and freight in costs.

Direct Expenses are direct salaries, third party logistics charges, freight out and commission payments.

EBITDA is net profit before interest, taxes, depreciation and amortisation.

Adjusted EBITDA is calculated as EBITDA before other non cash and non recurring items. This is shown in the table below. Adjusted EBITDA is used to enhance the comparability of performance between reporting periods by adjusting for other non cash and nonrecurring items to aid the user in understanding the Group's performance. Consequently, Adjusted EBITDA is used by the Directors and management for performance analysis, planning and reporting.

Non cash items and non recurring items	**2019 £'M**	**2018 £'M**
Share based payments	0.7	0.5
Release of prepaid retailer stand contribution	1.4	0.4
Total non-cash items	**2.1**	**0.9**
Contract termination payments to distributor and website provider	0.4	-
Recruitment of senior team	0.2	0.3
Delisting of Freedom Brand	0.4	0.2
Utilisation of stock for one-time campaign	0.7	-
Returns sold below net realisable value (NRV)	0.8	-
Total non-recurring items	**2.5**	**0.5**

The board of directors monitor the effectiveness of the group's operations by considering various key performance indicators. The main indicators are the growth in turnover, EBITDA and Adjusted EBITDA.

In 2019, the group's turnover increased to £136.5 million (2018: £99.9 million) mainly due to increasing space in our key retail partners, (Superdrug and Ulta), and launching the brand in the Australian market. Adjusted gross profit has improved for the year to 45% (2018: 43%) due to tactical price increases and improved buying patterns. EBITDA reduced to £10.3 million (2018: £11.5 million) as we invested in brand driving initiatives, and in our people and IT infrastructure to support future growth.

As a result of our continued investment in the Group our adjusted EBITDA now represents 10.9% of revenue compared to 12.9% in 2018.

Profit before tax decreased to a loss of £5.4 million from the prior year profit (2018: £3.6 million). This is primarily due to an increase in interest charges on additional debt taken out in late 2018 and during 2019, and an increase in depreciation and amortisation charge for the year following our investments in software, the website and stands as we have increased our brand presence in retailers worldwide. Furthermore, the results have been impacted by reduction in EBITDA as discussed above.

The group Statement of Financial Position shows a decreased net assets position of £7.9 million (2018: £14.6 million) compared to the prior year mainly reflecting the loss incurred in the year as discussed above.

Net current assets have increased to £37.1 million (2018: £32.7 million) which reflects the increase in working capital, particularly in respect to stock and trade debtors, as the business continues to grow.

During 2019 the group continued to focus on its core brands (Makeup Revolution London, RevolutionPRO, I Heart Revolution and Obsession Makeup London), whilst also developing a new brand (Revolution XX) which launched in H1 2020.

Future developments

The group operates in a highly competitive market place, but prospects remain positive. We continue to invest in distribution with new partners, expand distribution with existing partners, and to grow on our own website.

Principal risks and uncertainties

The group's activities expose it to a number of financial risks including cash flow risk, foreign exchange risk, credit risk and liquidity risk.

Cash flow risk

Within the group there is minimal exposure. Inter-company payment terms are agreed to enable the group to generate sufficient cash flow to fulfil its obligations.

Foreign exchange risk

The foreign exchange risk is mitigated by closely monitoring foreign exchange movements, having natural hedges with the group's US operations, and having appropriate terms with non-GBP denominated suppliers.

Credit risk

The group's financial assets are bank balances, cash and trade debtors. The group's credit risk is primarily attributable to its trade debtors, and the amounts presented in the balance sheet are net of allowances for doubtful debtors. Credit risk is mitigated by balances being spread over a number of customers and credit control policies.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for on-going operations and future developments, the group uses a mixture of long-term and short-term loan notes together with short term intragroup borrowings.

Section 172 of the UK Companies Act 2006

Company directors are required to act in good faith, to promote the long-term success of the company for the benefit of its stakeholders. As a Board, the Directors remain mindful of the significance of matters under their consideration from the point of view of materiality to stakeholders. Section 172(1) of the Companies Act 2006 requires that businesses and their Directors report on their duty to promote the success of the company with regard to the following matters:

A) Long-term sustainability

The long-term sustainability of the Group is at the forefront of decision-making, particularly in response to the rapid challenges seen since the year-end and the Coronavirus pandemic. We have continued to invest in our facilities, systems and teams. Our lenders have demonstrated continued financial support allowing confidence to continue growing and investing across the business.

B) Interests of the Group's Employees

The Group communicates with employees actively by way of regular update calls with the senior leaders and the whole global organisation. The Group has put in place an employee handbook and policies to ensure that employee best interests continue to be an integral part of our decision making.

C) Fostering relationships with Stakeholders, Suppliers and Customers

Our key stakeholders are our Shareholders, Banks, Suppliers and, most importantly, our Customers. There is regular communication with Shareholders to discuss business performance, market factors and plans for future growth. Our Lenders receive regular and timely management information and are kept updated with all major strategic initiatives. We are in constant contact with our Suppliers and Retailers, including hosting a virtual annual conference covering category specific news and updates. And we engage with our Customers in real time through our various social media channels, to better understand their needs and how we can improve our products and service.

D) Community and environment
The Company's Directors take all reasonable steps to minimise any detrimental impact the Group's operations may have on the environment, including reducing packaging and increasing the use of recycled and recyclable materials. The Company also supports a range of charitable and community activity, based on customer and employee input.

E) Maintenance of high standards of business conduct
The Group aims to conduct all its business relationships with integrity, locally, nationally and internationally. The Group works closely with suppliers to ensure full compliance with all legislation, focusing on long term mutual success. We strive to be an exemplary business, mindful that there are always opportunities to improve.

F) The Need to Act Fairly between members of the Company
The Directors continue to pursue what they believe is the most prudent long term investment strategy that balances growth fairly between all stakeholders. It is the view of the Directors that they continue to run the business in the best long-term interest of all relevant stakeholders

Key decisions made by the Board in the year

Key decisions made by the Board during the year included significantly increasing our space, and therefore our brand presence, in our key retail partners in the UK and the US, and launching the Revolution brand in Australia. When making these decisions, our relationships with our both our existing customers, and potential new customers was especially important, as was our suppliers' ability to increase production.

Other key decisions included making significant investment in our IT infrastructure, including a new ERP and website. These were all intended to strengthen our foundations in order to support future top line growth. Our priority when deciding on a new website was our customers and their experience shopping with us. When deciding on a new ERP, consideration was given to improving our service to our B2B customers and to improving the efficiency and effectiveness of our employees.

Covid-19 Update

During the Covid-19 pandemic, we have been keeping our staff suppliers, retailers, investors and lenders updated on our actions.

Revenue was heavily impacted in Q2 and Q3, particularly in Q2, when much of our global store estate was closed. However, the impact of this was partly mitigated by a significant shift in customer shopping patterns to online. Another trend that is industry wide, is that we sold a higher mix of skincare and haircare products during lockdown.

We furloughed one third of our staff in April and May 2020, with furloughed staff gradually returning to work thereafter. All staff were back in role by the end of August. Working staff took a voluntary 20% pay cut in April and May 2020. Our IT have ensured that all head office staff can effectively work from home, and our warehouses and 3PL partners have worked tirelessly to deliver orders.

Finally, in November 2020, we raised an incremental £15M of facilities from both existing and new lenders, giving the Group additional liquidity headroom to deal with any adverse consequences from further Covid implications. £5M of the new facilities remain completely undrawn.

We continue to monitor the impact of Covid-19 on the business, which is considered to be a non adjusting post balance sheet event.

Brexit Update

Our plans for Brexit were well executed. The majority of our European sales are delivered via Calais. We already have VAT registrations across much of mainland Europe. We put in place:

1. A French EORI (Economic Operators Registration & Identification) number, effective from 1 January 2021
2. Appointed a French based VAT provider with sufficient local technical capability to ensure a smooth transition in VAT filing and meeting of French VAT obligations
3. Appointment of an alternative Fiscal Representative in Belgium to provide for an alternate shipping route to Ostend or Zeebrugge, should Calais prove problematic or unfeasible

Although we experienced some delivery challenges in the first eight weeks of the year, the situation has markedly improved since the start of March, and we continue to monitor the situation closely.

Going concern

In preparing the financial statements the directors are required to assess the Group's ability to continue to trade as a going concern for the foreseeable future.

As outlined above, the directors are managing through the challenges created by the Covid-19 pandemic. When partners' retail stores reopened in the summer, customer flow and sales continued to build steadily, which gives us cautious optimism now they have reopened. Whilst the potential for further disruption remains, including the possibility of delayed reopening or further periods of lockdown, experience shows that any reduction in partners' retail store sales will be partly offset by an increase in revenue on our own website and with our digital partners, coupled with levers available to reduce costs and preserve cash.

In undertaking their going concern review, the directors have given due consideration to the Company's trading and mitigating actions taken through the previous and current Covid-19 disruption, together with forward-looking projections to the end of April 2022, which covers the Company's next twelve months in full. The Company's current funding is a combination of loan notes, invoice discounting, and shareholder loans. In addition, there is an undrawn, committed, £5m Facility.

The duration and severity of Covid-19 remains unknown so the Company has prepared detailed cash flow forecasts and undertaken further scenario modelling. The operating plans and financial forecasts that have been modelled as the business emerges from the pandemic indicate that the Company has sufficient cash headroom to meet its liabilities as they fall due, and to comply with its banking covenants. However, although the directors do not expect this to be the case, if additional financial support is required the directors have received a confirmation from the main shareholder that they would be prepared to provide additional funding to the Group for a period of not less than 12 months from the date of signing these financial statements, subject to agreeing detailed terms with the company and other shareholders. The other major shareholders have also confirmed their support. The directors' have assessed the ability of the main shareholder to provide this support and are satisfied they are capable of doing so.

It is on this basis, that the directors consider that the Group will be a going concern for a period of at least 12 months from the date of approval of these financial statements and they have therefore prepared the financial statements on a going concern basis.

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T D Allsworth

Director

Date: 21 April 2021.....

The directors present their annual report and financial statements for the year ended 31 December 2019.

Principal activities

The principal activity of the group is to sell and distribute beauty products, makeup, haircare and skincare under a variety of brands. The products are distributed through various channels, including retailers, department store chains, wholesalers, distributors and ecommerce.

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

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

T D Allsworth
D M Miles
A N Minto
C Welch

Results and dividends

The results for the year are set out on page 12.

No ordinary dividends were paid (2018: £12,000,000). The directors do not recommend payment of a further dividend.

Qualifying third party indemnity provisions

The group has made qualifying third party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

Acquisition of own shares

During the year the company repurchased 55,250 (2018: nil) C Ordinary shares of 0.00125p each. The total consideration paid was £1 (2018: £nil). The reason for the repurchase was that various employees forfeited their share options on leaving the company. The percentage of share capital which the redeemed shares represents is 0.2% (2018: 0%). There was no material Capital Redemption Reserve to recognise as a result of this repurchase.

Auditor

BDO LLP were appointed as auditor to the group during the year and have indicated their willingness to continue in office. In accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, each director has taken all the necessary steps that they ought to have taken as a director in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

REVOLUTION BEAUTY TOPCO LIMITED

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

Matters of strategic importance
Information is not shown within the Directors' Report as it is instead included within the Strategic Report on pages 1-5 under S414c(11) of the Companies Act 2006. This includes information on future developments, post year end events, financial risk management and statement on business relationships and key decisions.

On behalf of the board

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T D Allsworth
Director

Date: 21 April 2021

REVOLUTION BEAUTY TOPCO LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2019

The directors are responsible for preparing the Strategic Report and the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company, and of the profit or loss of the group 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 accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REVOLUTION BEAUTY TOPCO LIMITED

Opinion
We have audited the financial statements of Revolution Beauty Topco Limited ("the Parent Company") and its subsidiaries ("the Group") for the year ended 31 December 2019 which comprise the consolidated statement of comprehensive income, the consolidated statement of financial position, the company statement of financial position, the consolidated statement of changes in equity, the company statement of changes in equity, the consolidated statement of cashflows, and the 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 Financial Reporting Standard 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 Group's and of the Parent Company's affairs as at 31 December 2019 and of the Group's loss for the year then ended;

- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and

- the financial statements 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 Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or

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

Other information
The Directors are responsible for the other information. The other information comprises the information included in the strategic report and directors' report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the Strategic report and 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 Group and the Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report and 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 by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or

- the Parent Company 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 statements, 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 Group's and the Parent 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 Group or the Parent 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:
https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REVOLUTION BEAUTY TOPCO LIMITED (CONTINUED)

Use of our report

This report is made solely to the Parent 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 Parent 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 Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

BDO LLP

James Fearon (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Chartered Accountants
2 City Place
Beehive Ring Road
Gatwick, UK
21 April 2021

BDO LLP is a limited liability partnership registerred in England and Wales (wiith registered number OC305127)

REVOLUTION BEAUTY TOPCO LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	2019 £	2018 as restated £
Turnover	4	136,519,080	99,911,348
Cost of sales		(105,325,633)	(75,832,965)
Gross profit		31,193,447	24,078,383
Administrative expenses		(32,128,132)	(19,894,974)
Operating (loss)/profit	8	(934,685)	4,183,409
Interest receivable and similar income	10	249	601
Interest payable and similar expenses	11	(4,499,242)	(588,223)
(Loss)/profit before taxation		(5,433,678)	3,595,787
Tax on (loss)/profit	12	(2,133,940)	(1,416,359)
(Loss)/profit for the financial year		(7,567,618)	2,179,428
Other comprehensive income/(loss) net of taxation			
Currency translation differences		106,507	(76,015)
Total comprehensive (loss)/income for the year		(7,461,111)	2,103,413

(Loss)/profit for the financial year is all attributable to the owners of the parent company.

Total comprehensive (loss)/income for the year is all attributable to the owners of the parent company.

REVOLUTION BEAUTY TOPCO LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

	Notes	2019 £	2019 £	2018 as restated £	2018 as restated £
Fixed assets					
Goodwill	14		927,858		1,640,399
Other intangible assets	14		3,645,123		2,224,206
Total intangible assets			4,572,981		3,864,605
Tangible assets	15		24,835,884		16,862,973
			29,408,865		20,727,578
Current assets					
Stocks	18	59,278,356		51,107,270	
Debtors falling due after more than one year	19	1,078,676		2,750,851	
Debtors falling due within one year	19	35,213,092		24,539,382	
Cash at bank and in hand	28	8,876,846		3,133,527	
		104,446,970		81,531,030	
Creditors: amounts falling due within one year	20	(67,341,181)		(48,879,243)	
Net current assets			37,105,789		32,651,787
Total assets less current liabilities			66,514,654		53,379,365
Creditors: amounts falling due after more than one year	21		(58,646,113)		(38,755,238)
Net assets			7,868,541		14,624,127
Capital and reserves					
Called up share capital	25		237		234
Merger reserve	26		14,860,076		14,860,076
Share based payment reserve	26		1,265,399		559,877
Profit and loss reserves	26		(8,257,171)		(796,060)
Total equity			7,868,541		14,624,127

The financial statements were approved by the board of directors and authorised for issue on 21 April 2021.....
and are signed on its behalf by:

....

T D Allsworth
Director

Company Registration No. 11666025

REVOLUTION BEAUTY TOPCO LIMITED

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

	Notes	2019 £	2019 £	2018 £	2018 £
Fixed assets					
Investments	16		780,323		74,798
Current assets					
Debtors falling due after more than one year	19	12,394,915		-	
Net current assets			12,394,915		-
Total assets less current liabilities			13,175,238		74,798
Creditors: amounts falling due after more than one year	21		(12,394,915)		-
Net assets			780,323		74,798
Capital and reserves					
Called up share capital	25		237		234
Share based payment reserve	26		780,086		74,564
Total equity			780,323		74,798

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes as it prepares group accounts. The company's profit for the year was £nil (2018: £12,000,000).

The financial statements were approved by the board of directors and authorised for issue on 21 April 2021 and are signed on its behalf by:

....
T D Allsworth
Director

REVOLUTION BEAUTY TOPCO LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	Share capital	Merger reserve	Share based payment reserve	Profit and loss reserves	Total
		£	£	£	£	£
As restated for the period ended 31 December 2018:						
Balance at 1 January 2018		226	14,860,076	74,445	11,956,210	26,890,957
Effect of prior period adjustment		-	-	-	(2,855,683)	(2,855,683)
As restated		226	14,860,076	74,445	9,100,527	24,035,274
Year ended 31 December 2018:						
Profit for the year as restated		-	-	-	2,179,428	2,179,428
Other comprehensive income/(loss) net of taxation:						
Currency translation differences on overseas subsidiaries		-	-	-	(76,015)	(76,015)
Total comprehensive income/(loss) for the year		-	-	-	2,103,413	2,103,413
Dividends	13	-	-	-	(12,000,000)	(12,000,000)
Share based payment charge	7	-	-	485,432	-	485,432
Other movements	25	8	-	-	-	8
Balance at 31 December 2018		234	14,860,076	559,877	(796,060)	14,624,127
Year ended 31 December 2019:						
Loss for the year		-	-	-	(7,567,618)	(7,567,618)
Other comprehensive income/(loss) net of taxation:						
Currency translation differences on overseas subsidiaries		-	-	-	106,507	106,507
Total comprehensive income/(loss) for the year		-	-	-	(7,461,111)	(7,461,111)
Issue of share capital	25	4	-	-	-	4
Redemption of shares	25	(1)	-	-	-	(1)
Share based payment charge	7	-	-	705,522	-	705,522
Balance at 31 December 2019		237	14,860,076	1,265,399	(8,257,171)	7,868,541

REVOLUTION BEAUTY TOPCO LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	Share capital	Share based payment reserve	Profit and loss reserves	Total
		£	£	£	£
Balance at 7 November 2018		-	-	-	-
Period ended 31 December 2018:					
Profit and total comprehensive income for the period		-	-	12,000,000	12,000,000
Issue of share capital	25	234	-	-	234
Dividends	13	-	-	(12,000,000)	(12,000,000)
Share based payment charge	7	-	74,564	-	74,564
Balance at 31 December 2018		234	74,564	-	74,798
Year ended 31 December 2019:					
Profit and total comprehensive income for the year		-	-	-	-
Issue of share capital	25	4	-	-	4
Redemption of shares	25	(1)	-	-	(1)
Share based payment charge	7	-	705,522	-	705,522
Balance at 31 December 2019		237	780,086	-	780,323

REVOLUTION BEAUTY TOPCO LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	2019 £	2019 £	2018 as restated £	2018 as restated £
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	27		1,293,302		(4,087,629)
Income taxes paid			(3,549,391)		(2,605,309)
Net cash outflow from operating activities			(2,256,089)		(6,692,938)
Investing activities					
Purchase of intangible assets		(2,245,305)		(1,600,536)	
Proceeds on disposal of intangibles		-		43,885	
Purchase of tangible fixed assets		(17,691,124)		(17,036,502)	
Proceeds on disposal of tangible fixed assets		-		6,358	
Interest received		249		601	
Net cash used in investing activities			(19,936,180)		(18,586,194)
Financing activities					
Interest paid		(3,135,783)		(265,362)	
Proceeds from issue of shares		-		8	
Proceeds from borrowings	22	25,258,452		40,067,840	
Repayment of borrowings		(4,049,664)		-	
Proceeds of new bank loans		10,000,000		-	
Repayment of bank loans		-		(2,043,534)	
Payment of finance leases obligations		-		(104,245)	
Dividends paid to equity shareholders		-		(12,000,000)	
Loan issue fees		(137,417)		(3,549,691)	
Net cash generated from financing activities			27,935,588		22,105,016
Net increase/(decrease) in cash and cash equivalents			5,743,319		(3,174,116)
Cash and cash equivalents at beginning of year			3,133,527		6,307,643
Cash and cash equivalents at end of year			8,876,846		3,133,527

1 Accounting policies

Company information

Revolution Beauty Topco Limited ("the company") is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is 2-3 Sheet Glass Road, Cullet Drive, Queenborough, Kent, ME11 5JS.

The group consists of Revolution Beauty Topco Limited and all of its subsidiaries.

The company's and the group's principal activities and nature of its operations are disclosed in the Directors' Report.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006, including the provisions of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment' – Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of incentive shares and share options, how the fair value of incentive shares and options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements.

The financial statements of the company are included within these consolidated financial statements of Revolution Beauty Topco Limited.

1 Accounting policies (Continued)

Basis of consolidation

The consolidated financial statements incorporate those of Revolution Beauty Topco Limited and all of its subsidiaries (i.e. entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

On 14 November 2018, the company acquired the share capital of Revolution Beauty Holdings Limited via a share for share exchange. This transaction meets the definition of a group reconstruction under FRS 102 and therefore these entities have been consolidated using the merger method of accounting. The consolidated financial statements of Revolution Beauty Topco Limited treat the group as if it had always existed. Accordingly the consolidated financial statements include the results and assets and liabilities of the acquired subsidiary for the whole of the current and corresponding period regardless of the date of acquisition.

All financial statements are made up to 31 December 2019. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Going concern

In preparing the financial statements the directors are required to assess the Group's ability to continue to trade as a going concern for the foreseeable future.

As outlined above, the directors are managing through the challenges created by the Covid-19 pandemic. When partners' retail stores reopened in the summer, customer flow and sales continued to build steadily, which gives us cautious optimism now they have reopened. Whilst the potential for further disruption remains, including the possibility of delayed reopening or further periods of lockdown, experience shows that any reduction in partners' retail store sales will be partly offset by an increase in revenue on our own website and with our digital partners, coupled with levers available to reduce costs and preserve cash.

In undertaking their going concern review, the directors have given due consideration to the Company's trading and mitigating actions taken through the previous and current Covid-19 disruption, together with forward-looking projections to the end of April 2022, which covers the Company's next twelve months in full. The Company's current funding is a combination of loan notes, invoice discounting, and shareholder loans. In addition, there is an undrawn, committed, £5m Facility.

The duration and severity of Covid-19 remains unknown so the Company has prepared detailed cash flow forecasts and undertaken further scenario modelling. The operating plans and financial forecasts that have been modelled as the business emerges from the pandemic indicate that the Company has sufficient cash headroom to meet its liabilities as they fall due, and to comply with its banking covenants. However, although the directors do not expect this to be the case, if additional financial support is required the directors have received a confirmation from the main shareholder that they would be prepared to provide additional funding to the Group for a period of not less than 12 months from the date of signing these financial statements, subject to agreeing detailed terms with the company and other shareholders. The other major shareholders have also confirmed their support. The directors' have assessed the ability of the main shareholder to provide this support and are satisfied they are capable of doing so.

It is on this basis, that the directors consider that the Group will be a going concern for a period of at least 12 months from the date of approval of these financial statements and they have therefore prepared the financial statements on a going concern basis.

1 Accounting policies (Continued)

Turnover

Net sales are recognised when the goods have been transferred to the customer.

Sales incentives, cash discounts and product returns are deducted from net sales, as are incentives granted to distributors or consumers resulting in a cash flow outflow, such as commercial cooperation, coupons and discounts.

Incentives granted to distributors and consumers are recorded as a deduction from net sales when the following two conditions are met at the same time: the service is not separable from the sale of the product and it is not possible to reasonable estimate the fair value of the cost of the service.

Sales incentives, cash discounts, provisions for returns and incentives granted to customers are recorded simultaneously to the recognition of the sales if they can be estimated in a reasonably reliable manner, based mainly on statistics compiled from past experience and contractual conditions.

Royalty income is measured at the fair value of the consideration received or receivable for the year.

Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is estimated to be 44 months.

Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Software	33.33% straight line
Website costs	33.33% straight line
Trademarks	straight line over 3 years
Intellectual property	straight line over 10 years
Acquired rights	straight line over 44 months

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

1 Accounting policies (Continued)

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives or in the case of Stands over their period of economic consumption on the following bases:

Leasehold improvements	20% straight line
Stands	between 20% to 50% straight line
Office equipment	33.33% straight line
Computer equipment	33.33% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

Change in accounting estimates
The group revised the estimated useful lives of certain fixed assets with effect from 1 January 2019.

Fixed asset investments
In the separate accounts of the company, interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Impairment of fixed assets
At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Stocks
Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1 Accounting policies (Continued)

Cash and cash equivalents
Cash and cash equivalents are basic financial instruments and include cash in hand and deposits held at call with banks.

Financial instruments
The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets
Basic financial assets, which include trade and other debtors and loan arrangement fees in relation to drawdown facilities not yet drawn down, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Impairment of financial assets
Financial assets are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets
Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities
Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

1 Accounting policies (Continued)

Basic financial liabilities

Basic financial liabilities, including trade and other creditors, bank loans and loan notes, 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 payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the group's contractual obligations are discharged, cancelled, or they expire.

Equity instruments

Equity instruments issued by the group are recorded at the fair value of proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination and the amounts that can be deducted or assessed for tax. The deferred tax recognised is adjusted against goodwill.

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.

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.

1 Accounting policies (Continued)

Retirement benefits
The group operates a defined contribution scheme for the benefit of its employees. The amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

Share-based payments
The company issues equity-settled share-based incentives to certain employees in the form of share options and incentive shares and recharges the cost of these to the relevant subsidiary company. Equity-settled share-based payments are measured at fair value at the date of grant. The fair value determined at the grant date of equity-settled share-based payments is expensed in the relevant subsidiary's financial statements on a straight-line basis over the estimated vesting period, based on the estimate of shares that will eventually vest. A corresponding adjustment is made to equity.

The fair value of incentive shares and share options are measured using the Monte Carlo model. The expected life used in the model has been adjusted, based on management's best estimate, for the effect of non-transferability, exercise restrictions and behavioural conditions.

If the vesting conditions of incentive shares or share options are modified in a manner that is beneficial to the employee and this modification increase the fair value of the equity instruments granted (or increases the number of equity instruments granted) measured immediately before and after the modification, the entity shall include the incremental fair value granted in the measurement of the amount recognised for services received as consideration for the equity instruments granted. The incremental fair value granted is the difference between fair value of the modified equity instrument and that of the original equity instrument, both estimated as at the date of the modification. If the modification occurs during the vesting period, the incremental fair value granted is included in the measurement of the amount recognised for services received over the period from the modification date until the date when the modified equity instruments vest, in addition to the amount based on the grant date fair value of the original equity instruments, which is recognised over the remainder of the original vesting period.

Cancellations or settlements are treated as an acceleration of vesting and the amount that would have been recognised over the remaining vesting period is recognised immediately.

Leases
Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

1 Accounting policies (Continued)

Foreign exchange
Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

Assets and liabilities of overseas subsidiaries are translated into the group's presentation currency at the rate ruling at the reporting date. Income and expenses of overseas subsidiaries are translated at the average rate for the year as the directors consider this to be a reasonable approximation to the rate at the date of transaction. Translation differences are recognised in other comprehensive income and accumulated in equity.

2 Judgements and key sources of estimation uncertainty

In the application of the group'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.

2 Judgements and key sources of estimation uncertainty (Continued)

Key sources of estimation uncertainty
The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Useful lives of property, plant and equipment
The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives of the group's assets are determined by management at the time the asset is acquired and reviewed at least annually for appropriateness. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

Useful lives of intangibles
The charge in respect of periodic amortisation is derived after determining an estimate of an asset's expected useful life. The useful lives of the group's intangible assets are determined by management at the time the asset is acquired and reviewed at least annually for appropriateness. The lives are based on historical experience with similar intangible assets.

Share-based payments
The fair value of the incentive shares and share options are measured using the Monte Carlo model. The expected life used in the model has been adjusted based on management's best estimate, for the effect of non-transferability, exercise restrictions and behavioural considerations.

Stock provision
When assessing the value of stock at the year end, management consider both net realisable value and slow-moving provisions. These estimates are calculated using historical sales and calculate the months cover of each SKU held in stock. Consideration is also given to the estimated levels and values of expected sales after the year end.

Debtor recoverability
When determining the recoverability of debtor balances, management review the ageing of the balances, and compare this to historical payment profiles of each customer. At the year end, provisions are then made for any amounts that are not likely to be recovered.

Returns
Some customers are able to return unsold stock. At the year end, the group makes a provision for returns based on historical averages, or actual values that have been agreed with the customer.

3 Prior period adjustments

During the year the directors have identified a number of errors in accounting policies and transactions from prior periods and as a result have made the following prior period adjustments:

A prior period adjustment has been recognised to appropriately provide for slow moving stock and stock expected to be sold at below cost, not previously recognised. As at 31 December 2017, this amounted to £2,855,683 and as a result stock and opening reserves at 1 January 2018 have decreased by this amount. Similarly, as at 31 December 2018 a provision for slow moving stock and stock expected to be sold at below cost of £6,518,558 had not been recognised. As a result, the prior period cost of sales has increased by £3,707,049, currency translation expense increased by £44,174 and total comprehensive income decreased by £3,662,875.

A prior period adjustment has been recognised to reclassify instore marketing and promotional costs of £11,348,934 from cost of sales and £400,806 from administrative expenses and reduce turnover by the combined amount, in order to better reflect their nature. This has no impact on the prior period's profits or reserves.

A prior period adjustment has been recognised to adjust for turnover and turnover credits recognised in the incorrect period, resulting in a reduction to turnover of £856,031 together with a reduction in their related cost of sales, amounting to £273,487. This has resulted in a decrease in profit after tax and reserves in the prior period of £582,544. Corresponding adjustments for this have also been made to increase stock by £273,553, decrease debtors by £586,922 and increase creditors by £269,176.

A prior period adjustment has been recognised for US Use Tax not previously provided for. This has resulted in a decrease in turnover of £103,744, an increase in cost of sales of £65,525 and an increase in administrative expenses of £38,939. Therefore this has resulted in a decrease in profit after tax and decrease in reserves for the prior period of £208,207. Corresponding adjustments for this have also been made to increase fixed assets by £194,784 and increase creditors by £402,991.

The tax impact of the prior period adjustments has been reflected in the 2018 tax reconciliation in Note 12 as an unrecognised tax asset.

There has been an impact on cash generated from operations resulting in an increase for the prior period of £233,724 and a decrease in investing activities of £233,724. Interest paid of £265,362 has also been reclassified from operating activities to financing activities to better reflect the nature of the expense.

The tables below summarise the impact of the above adjustments:

3 Prior period adjustments (Continued)

Changes to the statement of financial position - group

	At 31 December 2018			
	As previously reported	Adjustment at 1 Jan 2018	Adjustment at 31 Dec 2018	As restated
	£	£	£	£
Fixed assets				
Tangible assets	16,668,189	-	194,784	16,862,973
Current assets				
Stocks	57,352,275	(2,855,683)	(3,389,322)	51,107,270
Debtors due within one year	25,126,304	-	(586,922)	24,539,382
Creditors due within one year	(48,207,076)	-	(672,167)	(48,879,243)
Net assets	21,933,437	(2,855,683)	(4,453,627)	14,624,127
Capital and reserves				
Profit and loss	6,513,250	(2,855,683)	(4,453,627)	(796,060)

Changes to the statement of comprehensive income - group

	Period ended 31 December 2018		
	As previously reported	Adjustment	As restated
	£	£	£
Turnover	112,620,863	(12,709,515)	99,911,348
Cost of sales	(83,682,812)	7,849,847	(75,832,965)
Administrative expenses	(20,256,841)	361,867	(19,894,974)
Profit after taxation	6,677,229	(4,497,801)	2,179,428
Currency translation differences	(120,189)	44,174	(76,015)
Total comprehensive income for the year	6,557,040	(4,453,627)	2,103,413

4 Turnover and other revenue

	2019	2018 as restated
	£	£
Turnover analysed by class of business		
Store groups	109,961,960	76,294,700
Digital	26,557,120	23,616,648
	136,519,080	99,911,348

4 Turnover and other revenue (Continued)

	2019	2018
	£	£
Other revenue		
Interest income	249	601

	2019	2018
	£	£
Turnover analysed by geographical market		
UK	46,012,855	35,502,744
Americas	31,069,329	18,176,363
Rest of World	59,436,896	46,232,241
	136,519,080	99,911,348

5 Employees

The average monthly number of persons (including directors) employed during the year was:

	Group 2019	2018	Company 2019	2018
	Number	Number	Number	Number
Administration	154	97	4	4
Cost of sales	31	42	-	-
	185	139	4	4

Their aggregate remuneration comprised:

	Group 2019	2018	Company 2019	2018
	£	£	£	£
Wages and salaries	8,797,412	5,552,061	-	-
Social security costs	856,681	534,073	-	-
Pension costs	150,973	41,034	-	-
Share-based payment charge	705,522	485,432	-	-
	10,510,588	6,612,600	-	-

Directors remuneration is borne by subsidiary company Revolution Beauty Limited.

6 Directors' remuneration

	2019	2018
	£	£
Remuneration for qualifying services	568,659	559,076

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	2019	2018
	£	£
Remuneration for qualifying services	310,177	304,950

The Group consider key management personnel to be the Directors of Revolution Beauty Topco Limited.

7 Share-based payment transactions

The company has granted share options to certain employees of the group over its D Ordinary shares ("share options"). Furthermore the company has issued C Ordinary shares and E Ordinary shares to certain group employees ("incentive shares").

The incentive shares allow the holders to participate in a return of value in an exit event once a distribution threshold, as defined in the Articles of Association has been met. The number of C Ordinary shares issued by the group in the year was 331,497 (2018: 651,939) and nil (2018: nil) E Ordinary shares were issued. In addition 55,250 (2018: 11,050) C Ordinary shares were forfeited by employees during the year and repurchased by the company. See Note 25 for further details.

20% of the share options vest annually from date of grant, except in an exit event where vesting is accelerated and 100% of the share options vest.

Further details in respect of movement in share options in the year are as follows:

	Number of share options over D shares		Weighted average exercise price	
	2019	2018	2019	2018
	Number	Number	£	£
Outstanding at 1 January 2019	232,043	165,745	9.66	9.05
Granted	-	121,546	-	10.21
Forfeited	-	(55,248)	-	9.05
Outstanding at 31 December 2019	232,043	232,043	9.66	9.66

The expense recognised in the group in the year for the above share based payment transactions was £705,522 (2018: £485,432).

7 Share-based payment transactions (Continued)

Group

The Monte Carlo option pricing model was used to value the equity settled share-based payment awards as it was considered that this approach would result in materiality accurate estimate of the fair value of share based incentives.

Inputs were as follows:

	2019	2018
Expected volatility	35.00%	30.00%
Expected life	2.6 to 3 years	3.3 to 4 years
Risk free rate	0.3% to 0.8%	1.00%
Expected dividends yields	-	-

8 Operating (loss)/profit

	2019 £	2018 as restated £
Operating (loss)/profit for the year is stated after charging:		
Exchange losses	204,865	106,284
Depreciation of owned tangible fixed assets	9,675,078	6,189,059
Depreciation of tangible fixed assets held under finance leases	-	135,623
Amortisation of intangible assets	1,481,353	1,018,435
Cost of stocks recognised as an expense	72,800,171	58,555,000
Share-based payment charge	705,522	485,432
Operating lease charges	1,340,020	611,579

9 Auditor's remuneration

	2019	2018
Fees payable to the company's auditor and its associates:	£	£
For audit services		
Audit of the financial statements of the group and company payable to current auditors	32,000	-
Audit of the financial statements of the group and company payable to previous auditors	-	21,750
Audit of the financial statements of the company's subsidiaries payable to current auditors	51,500	-
Audit of the financial statements of the company's subsidiaries payable to previous auditors	-	45,000
	83,500	66,750
For other services payable		
Taxation compliance services	-	15,325
All other non-audit services	-	17,500
	-	32,825

There were £nil (2018: £704,409) fees to auditors for other non-audit services capitalised within intangible assets.

10 Interest receivable and similar income

	2019	2018
	£	£
Interest income		
Interest on bank deposits	57	601
Other interest income	192	-
Total income	249	601

11 Interest payable and similar expenses

	2019	2018
	£	£
Interest on bank overdrafts and loans	211,583	122,078
Series A and B loan notes	3,048,429	322,861
Other loans	394,915	-
Amortisation of loan fees	791,129	91,019
Interest on finance leases and hire purchase contracts	-	3,704
Other interest	53,186	48,561
Total finance costs	4,499,242	588,223

12 Taxation

	2019	2018
	£	£
Current tax		
UK corporation tax on profits for the current period	11,412	3,574,506
Adjustments in respect of prior periods	(3,914)	(25,031)
Total current tax	7,498	3,549,475
Deferred tax		
Origination and reversal of timing differences	1,915,004	(2,141,743)
Adjustments in respect of prior periods	211,438	8,627
Total deferred tax	2,126,442	(2,133,116)
Total tax charge	2,133,940	1,416,359

The total tax charge for the year included in the income statement can be reconciled to the (loss)/profit before tax multiplied by the standard rate of tax as follows:

	2019	2018
		as restated
	£	£
(Loss)/profit before taxation	(5,433,678)	3,595,787
Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%)	(1,032,399)	683,200
Tax effect of expenses that are not deductible in determining taxable profit	714,218	170,862
Adjustments in respect of prior years	(3,914)	(25,031)
Permanent capital allowances in excess of depreciation	-	249,052
Effect of overseas tax rates	16,182	(37,725)
Deferred tax adjustments in respect of prior years	211,438	8,627
Deferred tax movement and other timing differences	2,153,783	(487,208)
Fixed asset differences	9,650	-
Impact of prior year adjustment	-	854,582
Effect of change in deferred tax rate	64,982	-
Taxation charge	2,133,940	1,416,359

At the year end there were unrecognised tax losses of £1,959,348 (2018: £nil) available for carry forward against future trading profits. The tax impact of these were £394,349 (2018: £nil). In addition there were potential tax repayments arising as a result of prior year adjustments amounting to £1,262,585 (2018: £nil). These amounts have not been recognised due to uncertainty of recoverability.

13 Dividends

	2019	2018
	£	£
Interim paid	-	12,000,000

14 Intangible fixed assets

Group	Goodwill	Software	Website costs	Trademarks	Intellectual property	Acquired rights	Total
	£	£	£	£		£	£
Cost							
At 1 January 2019	2,487,876	1,441,611	453,160	275,407	-	584,168	5,242,222
Additions - separately acquired	-	451,511	1,303,705	64,701	425,388	-	2,245,305
Disposals	-	(289,328)	-	(73,734)	-	-	(363,062)
Exchange adjustments	(89,269)	-	-	-	-	(20,961)	(110,230)
At 31 December 2019	2,398,607	1,603,794	1,756,865	266,374	425,388	563,207	7,014,235
Amortisation and impairment							
At 1 January 2019	847,477	186,229	-	144,572	-	199,339	1,377,617
Amortisation charged for the year	667,252	353,099	215,115	55,595	33,616	156,676	1,481,353
Disposals	-	(289,328)	-	(73,734)	-	-	(363,062)
Exchange adjustments	(43,980)	-	-	-	-	(10,674)	(54,654)
At 31 December 2019	1,470,749	250,000	215,115	126,433	33,616	345,341	2,441,254
Carrying amount							
At 31 December 2019	927,858	1,353,794	1,541,750	139,941	391,772	217,866	4,572,981
At 31 December 2018	1,640,399	1,255,382	453,160	130,835	-	384,829	3,864,605

The company had no intangible fixed assets at 31 December 2019 or 31 December 2018.

15 Tangible fixed assets

Group	Leasehold improvements	Stands	Office equipment	Computer equipment	Total
	£	£	£	£	£
Cost					
At 1 January 2019 - as restated	401,865	23,824,692	87,235	339,350	24,653,142
Additions	45,942	17,462,544	5,750	176,888	17,691,124
Disposals	-	(9,504,298)	(28,198)	(10,433)	(9,542,929)
Transfers	7,150	(7,150)	-	-	-
Exchange adjustments	-	(159,490)	(819)	(784)	(161,093)
At 31 December 2019	454,957	31,616,298	63,968	505,021	32,640,244
Depreciation and impairment					
At 1 January 2019 - as restated	49,677	7,595,587	49,823	95,082	7,790,169
Depreciation charged in the year	88,436	9,418,205	22,474	145,963	9,675,078
Eliminated in respect of disposals	-	(9,504,298)	(28,198)	(10,433)	(9,542,929)
Exchange adjustments	-	(117,047)	(458)	(453)	(117,958)
At 31 December 2019	138,113	7,392,447	43,641	230,159	7,804,360
Carrying amount					
At 31 December 2019	316,844	24,223,851	20,327	274,862	24,835,884
At 31 December 2018 - as restated	352,188	16,229,105	37,412	244,268	16,862,973

The company had no tangible fixed assets at 31 December 2019 or 31 December 2018.

16 Fixed asset investments

	Notes	Group 2019	2018	Company 2019	2018
		£	£	£	£
Investments in subsidiaries	17	-	-	780,323	74,798

16 Fixed asset investments (Continued)

Movements in fixed asset investments
Company

	Shares in group undertakings
	£
Cost or valuation	
At 1 January 2019	74,798
Additions	705,525
At 31 December 2019	780,323
Carrying amount	
At 31 December 2019	780,323
At 31 December 2018	74,798

The additions include costs of the share option and incentive schemes totalling £705,522 (2018: £74,564), all of which relates to indirectly owned subsidiaries.

17 Subsidiaries

Details of the company's subsidiaries at 31 December 2018 and 31 December 2019 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct	% Held Indirect
Revolution Beauty Holdings Ltd	1	Owning of intellectual property	Ordinary	100.00	-
Revolution Beauty Limited	1	Wholesale and retail of beauty products	Ordinary	-	100.00
Revolution Beauty UK Holdco Limited	1	Holding company	Ordinary	-	100.00
Revolution Beauty Inc	2	Wholesale and retail of beauty products	Ordinary	-	100.00
Revolution Beauty Nominees Limited	1	Dormant	Ordinary	-	100.00
Revolution Beauty New Zealand Limited	3	Wholesale and retail of beauty products	Ordinary	-	100.00
Revolution Beauty Germany GmbH	4	Wholesale and retail of beauty products	Ordinary	-	100.00
Revolution Beauty Cosmetics Limited (Ireland)	5	Dormant	Ordinary	-	100.00

17 Subsidiaries (Continued)

Registered Office addresses:

1 2-3 Sheet Glass Road, Cullet Drive, Queenborough, Kent, ME11 5JS
2 3149 MacArthur Blvd, Northbrook, IL - 60062 USA
3 RSM New Zealand (Auckland), Level 2, Building 5, 60 Highbrook Drive, Highbrook, Auckland, 2013, New Zealand
4 Haupstraße 27c, 53604 Bad Honnef, Germany
5 Alexandra House, The Sweepstakes, Ballsbridge, Dublin 4

18 Stocks

	Group 2019	2018 as restated	Company 2019	2018
	£	£	£	£
Finished goods and goods for resale	59,278,356	51,107,270	-	-

19 Debtors

	Group 2019	2018 as restated	Company 2019	2018
Amounts falling due within one year:	£	£	£	£
Trade debtors	28,628,139	15,892,342	-	-
Corporation tax recoverable	3,914	-	-	-
Other debtors	2,655,293	2,649,623	-	-
Prepayments and accrued income	3,518,706	4,466,008	-	-
Prepaid arrangement fees	407,040	455,190		
	35,213,092	23,463,163	-	-
Deferred tax asset (note 23)	-	1,076,219	-	-
	35,213,092	24,539,382	-	-
Amounts falling due after more than one year:				
Amounts owed by group undertakings	-	-	12,394,915	-
Prepaid arrangement fees	1,078,676	1,700,628	-	-
	1,078,676	1,700,628	12,394,915	-
Deferred tax asset (note 23)	-	1,050,223	-	-
	1,078,676	2,750,851	12,394,915	-
Total debtors	36,291,768	27,290,233	12,394,915	-

19 Debtors (Continued)

Amounts owed by group undertakings are not expected to be recovered within 1 year. Interest is accrued on the loans and accumulated interest at 8% per annum and these loans are due to be fully repaid by 21 February 2024.

Prepaid arrangement fees are in respect of facilities not yet drawn down and are being amortised over the term of the loan to November 2023.

20 Creditors: amounts falling due within one year

		Group		Company	
		2019	2018 as restated	2019	2018
	Notes	£	£	£	£
Bank loans and overdrafts	22	10,000,000	-	-	-
Series A and B loan notes	22	846,101	-	-	-
Other loans	22	500,000	-	-	-
Trade creditors		46,541,461	31,996,913	-	-
Corporation tax payable		11,615	3,549,594	-	-
Other taxation and social security		265,779	203,944	-	-
Other creditors		4,331,705	4,220,232	-	-
Accruals and deferred income		4,844,520	8,908,560	-	-
		67,341,181	48,879,243	-	-

There is a fixed and floating charge over the assets of the group in favour of Lloyds Bank PLC.

21 Creditors: amounts falling due after more than one year

		Group		Company	
		2019	2018	2019	2018
	Notes	£	£	£	£
Series A and B loan notes	22	46,251,198	38,755,238	-	-
Other loans	22	12,394,915	-	12,394,915	-
		58,646,113	38,755,238	12,394,915	-

22 Borrowings

	Group 2019	2018	Company 2019	2018
	£	£	£	£
Bank revolving credit facility	10,000,000	-	-	-
Series A and B loan notes	48,495,891	40,067,840	-	-
Loan issue costs	(1,398,592)	(1,312,602)		
Other loans (Note 33 and 34)	12,894,915	-	12,394,915	-
	69,992,214	38,755,238	12,394,915	-
Payable within one year	11,346,101	-	-	-
Payable after one year	58,646,113	38,755,238	12,394,915	-

Included in short term and long term creditors are Series A-1 and Series A-2 loan notes issued on 21 November 2018, the holders of which are entitled to receive interest at a rate of up to 6% per annum plus Libor. These loan notes are all redeemable within five years on 21 November 2023.

Also included in short term and long term creditors are Series B-1 loan notes issued on 16 October 2019, the holders of which are entitled to receive interest at a rate of up to 6% per annum plus Libor. These loan notes are all redeemable within five years on 21 November 2023.

Series A and B loan notes are shown net of any directly related issue costs amounting to £372,511 (2018: £nil) due in less than 1 year and £1,026,081 (2018: £1,312,602) due in more than 1 year.

Series A-1 loan notes of £32,014,732 and Series A-2 loan notes of £7,522,707 are fully drawn down. Series B-1 loan notes of £8,958,452 (2018: £nil) were drawn down during the year. At the year end the company had additional Series B-1 loan notes of £16,041,548 (2018: £25,000,000) available to draw down. The group also drew down £10,000,000 (2018: £nil) of an available cash facility which was outstanding at the year end. Interest accrues on the outstanding cash facility balance at a rate between 3.2% and 3.4% per annum and is due to be fully repaid by 6 March 2020. At the year end the group had additional cash facilities of £30,000,000 (2018: £40,000,000) available to drawn down.

Included in other loans are loans from the directors totalling £6,300,000 (2018: £nil) and a loan from Mermaid UK Holdco Limited, a shareholder of the group, totalling £5,700,000 (2018: £nil). Interest is accrued on the loans and accumulated interest at 8% per annum and these loans are due to be fully repaid by 21 February 2024. Total interest of £394,915 (2018: £nil) has accrued during the year and is included in other loans.

Also included in other loans is a loan from TAM Property Limited (a company with common shareholders) totalling £500,000 (2018: £nil). This loan is interest free and repayable on demand.

The bank loan and the Series A and B loan notes are secured on a fixed and floating charge over all assets of the Group.

23 Deferred taxation

Deferred tax assets and liabilities are offset where the group or company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

Group	Liabilities 2019 £	Liabilities 2018 £	Assets 2019 £	Assets 2018 £
Accelerated capital allowances	1,733,069	653,903	-	-
Tax losses	-	-	1,772,001	1,405,871
Depreciation in advance of capital allowances	-	-	-	340,001
Other timing differences	-	-	-	1,129,982
Intangible fixed assets	38,932	95,509	-	-
	1,772,001	749,412	1,772,001	2,875,854

Group	Total Asset/ (Liability) 2019 £	Total Asset/ (Liability) 2018 £
Accelerated capital allowances	(1,733,069)	(653,903)
Tax losses	1,772,001	1,405,871
Depreciation in advance of capital allowances	-	340,001
Other timing differences	-	1,129,982
Intangible fixed assets	(38,932)	(95,509)
	-	2,126,442

The company has no deferred tax assets or liabilities.

Movements in the year:	Group 2019 £	Company 2019 £
Liability/(asset) at 1 January 2019	(2,126,442)	-
Charge to profit or loss	2,126,442	-
Liability at 31 December 2019	-	-

Deferred tax for the group totalling £nil (2018: £2,126,442) is included within debtors.

The deferred tax liability on intangible fixed assets will reverse over the period of amortisation remaining.

24 Retirement benefit schemes

	2019	2018
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	150,973	41,034

The group operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund. At the reporting date, contributions totalling £2,921 (2018: £329) were payable to the fund and are included within other creditors.

25 Share capital

	Group and company	
	2019	2018
Ordinary share capital	£	£
Issued and fully paid		
10,500,000 (2018: 10,500,000) Ordinary shares of 0.0008p each	84	84
9,500,000 (2018: 9,500,000) B Ordinary shares of 0.00125p each	119	119
2,250,000 (2018: 2,250,000) A1 Deferred shares of 0.0008p each	18	18
228,000 (2018: 228,000) A2 Deferred shares of 0.00125p each	3	3
928,186 (2018: 651,939) C Ordinary shares of 0.00125p each	11	8
165,745 (2018: 165,745) E Ordinary shares of 0.00125p each	2	2
	237	234

Ordinary shares and B Ordinary shares carry full voting rights and rights in respect of dividends and capital distributions (including on winding up). The rights in respect to dividends and capital vary between the Ordinary shares and B Ordinary shares in accordance with the Articles of Association.

The A1 Deferred shares and A2 Deferred shares do not have voting rights or rights to dividends and are eligible to 1p per share on any return of capital.

The C Ordinary shares and E Ordinary shares do not entitle the holder to vote or receive dividends but are eligible for a balance of surplus assets on a winding up in accordance with the Articles of Association.

During the year 331,497 (2018: 651,939) C Ordinary shares with a nominal value of 0.00125p were issued for a total consideration of £4 (2018: share for share exchange).

During the year the company repurchased 55,250 (2018: nil) C Ordinary shares with a nominal value of 0.00125p for a total consideration of £1 (2018: £nil).

26 Reserves

Share based payment reserve
The share based payment reserve represents the cumulative share-based payment expense.

Merger reserve
The merger reserve has arisen due to a group reorganisation, under the merger method of accounting.

Profit and loss reserves
The profit and loss reserve represents cumulative profit and loss net of distributions to owners.

27 Cash generated from group operations

	2019	2018 as restated
	£	£
(Loss)/profit for the year after tax	(7,567,618)	2,179,428
Adjustments for:		
Taxation charged	2,133,940	1,416,359
Interest payable and similar expenses	4,499,242	588,223
Interest receivable and similar income	(249)	(601)
Amortisation and impairment of intangible assets	1,481,353	1,018,435
Depreciation and impairment of tangible fixed assets	9,675,078	6,324,682
Foreign exchange gains	(75,519)	(76,015)
Equity settled share based payment expense	705,522	485,432
Movements in working capital:		
(Increase) in stocks	(8,171,086)	(24,744,911)
(Increase) in debtors	(11,794,162)	(8,571,020)
Increase in creditors	10,406,801	17,292,359
Cash generated from/(absorbed by) operations	1,293,302	(4,087,629)

28 Analysis of changes in net debt - group

	1 January 2019	Cash flows	Other non-cash changes	31 December 2019
	£	£	£	£
Cash at bank and in hand	3,133,527	5,743,319	-	8,876,846
Borrowings	(38,755,238)	(31,071,371)	(165,605)	(69,992,214)
	(35,621,711)	(25,328,052)	(165,605)	(61,115,368)

Other non-cash charges includes movements in loan fees, accrued interest and foreign exchange movements.

29 Financial commitments, guarantees and contingent liabilities

A cross guarantee exists between Revolution Beauty Topco Limited, Revolution Beauty Holdings Limited, Revolution Beauty Limited and Revolution Beauty UK Holdco Limited. The outstanding net balance in relation to these bank facilities is £48,495,891 (2018: £40,067,840). This facility is secured by a fixed and floating charge over the companies' assets.

The group has received claims for copyright infringement arising from the use of media content. The claims were received subsequent to the year end and include events which occurred prior to the years ended 31 December 2019. The Group is in the process of taking legal advice and will robustly defend any claim. At this stage the possible financial effect is not capable of being measured reliably, however the directors do not anticipate a material adverse effect on the company's liquidity or operations.

30 Operating lease commitments

Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Within one year	1,371,074	1,118,416	-	-
Between one and five years	456,879	1,418,951	-	-
	1,827,953	2,537,367	-	-

31 Capital commitments

Amounts contracted for but not provided in the financial statements:

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Acquisition of tangible fixed assets	1,749,187	1,348,118	-	-

32 Events after the reporting date

Covid-19

Following the end of the financial year, the world has been impacted by the Covid-19 virus pandemic and this has adversely affected the United Kingdom and the global economy in general.

In November 2020, the Group raised an incremental £15M of facilities from both existing and new lenders, giving the Group additional liquidity headroom to deal with any adverse consequences from further Covid implications.

The directors give further details of their consideration of the effects of Covid-19 on the ongoing operations of the business in the Strategic Report.

Brexit

Following the end of the Brexit Transition Period on 31 December 2020, the directors have closely monitored the impact of Brexit on the Company. Sales and profitability have not been significantly impacted with the logistical interruptions seen at the start of January 2021 beginning to ease. However, it is still at an early stage of the Brexit implementation phase and the directors continue to closely monitor the development in 2021.

33 Related party transactions

Transactions with related parties

During the year the group entered into the following transactions with related parties excluding directors:

	Sales		Purchases	
	2019	2018	2019	2018 as restated
	£	£	£	£
Group				
Other related parties	8,388	8,382	8,526,581	5,815,416

		Rent paid	Loans received from	
	2019	2018	2019	2018
	£	£	£	£
Group				
Other related parties	48,000	64,000	10,000,000	-

The following amounts were outstanding at the reporting end date:

Amounts due to related parties	2019	2018
	£	£
Group		
Other related parties	10,873,018	2,958,055

33 Related party transactions (Continued)

The following amounts were outstanding at the reporting end date:

Amounts due from related parties	**2019 Balance £**	**2018 Balance £**
Group		
Other related parties	3,432	2,673

Purchases from other related parties in 2018 have been restated to include amounts previously omitted which has resulted in an increase of £23,400.

The amounts owed by related parties are unsecured, interest free and repayable on demand.

Amounts owed to related parties includes a loan of £5,700,000 (2018: £nil) which is unsecured, accruing interest at 8% per annum and is repayable in full by 21 February 2024. Total interest accrued on this loan for the year is £131,179 (2018: £nil).

Amounts owed to related parties also includes a short term loan of £500,000 (2018: £nil) which is unsecured, interest free and repayable on demand. Amounts of £4,300,000 were received of which £3,800,000 was repaid during the year. The remaining £4,541,839 (2018: £2,958,055) owed to related parties is unsecured, interest free and repayable on demand, this is included with other creditors.

Other related parties represent companies with common key management personnel, common shareholders and parties connected to shareholders.

The Group consider key management personnel to be the Directors of Revolution Beauty Topco Limited.

34 Directors' transactions

During the year the directors loaned the company £6,300,000 (2018: £2,005,723) and were repaid £nil (2018: £3,504,753). Interest accrues on the new loans and accumulated interest at 8% (2018: interest free) per annum and these loans are due to be fully repaid by 21 February 2024. Total interest accrued on these loans for the year was £263,737 (2018: £nil). At the year end £6,563,737 (2018: £nil) was due to the directors and is shown within other loans.

Dividends totalling £nil (2018: £6,012,000) were paid in the year in respect of shares held by the company's directors.

35 Controlling party

The directors do not consider there to be one ultimate controlling party.