

Registered number: 05320733

FINLAW 479 LIMITED

Directors' report and financial statements

For the Year Ended 30 June 2020



FINLAW 479 LIMITED

Company Information

Directors	D Tannen M I Tannen J M Miller D A Tannen
Company secretary	J M Miller
Registered number	05320733
Registered office	Sutherland House 70-78 West Hendon Broadway London NW9 7BT
Independent auditor	BDO LLP 55 Baker Street London W1U 7EU

FINLAW 479 LIMITED

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FINLAW 479 LIMITED

Directors' report For the Year Ended 30 June 2020

The directors present their report and the financial statements for the year ended 30 June 2020.

Directors' responsibilities statement

The directors are responsible for preparing 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments 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 Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to 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.

Principal activity

The principal activity of the company is that of property investment.

Results and dividends

The profit for the year, after taxation, amounted to €22,770 (2019 - loss €13,221).

The directors do not recommend the payment of a dividend (2019 - €Nil).

Director

The directors who served during the year were:

D Tannen
M I Tannen
J M Miller
D A Tannen

FINLAW 479 LIMITED

**Directors' report (continued)
For the Year Ended 30 June 2020**

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

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

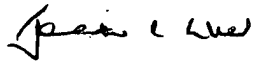
Auditor

The auditor, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



J M Miller
Secretary

Date: 24/3/21

FINLAW 479 LIMITED

Independent auditor's report to the members of Finlaw 479 Limited

Qualified Opinion

We have audited the financial statements of Finlaw 479 Limited ("the Company") for the year ended 30 June 2020 which comprise the statement of comprehensive income, the statement of financial position and the statement of changes in equity, 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, except for the effects of the matter described in the basis for qualified opinion section, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 June 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for qualified opinion

The Company's investment property has been valued by the Directors using their estimate of open market value. Financial Reporting Standard 102 requires the property to be held in the statement of financial position at fair value at each year end date. We have reviewed the various assumptions in relation to property yields used by the Directors in forming their judgement and believe that the ones used are too prudent for the type of asset held and understate the value of the investment property and the profit for the year by approximately €250,000.

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

Material uncertainty related to going concern

We draw attention to note 2.2 to the financial statements, which explains that in the worst case scenario the Company may need additional funding from within the Tannen Group to finance its activities going forward and/or waivers to certain loan covenants. The availability of this funding and the waivers, if needed, will be dependent upon the continuing ability of the Tannen Group to support its subsidiaries and on the co-operation of lenders to provide such waivers as may become necessary.

These events or conditions, along with other matters as set out in note 2.2, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Directors' report and financial statements, 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.

FINLAW 479 LIMITED

Independent auditor's report to the members of Finlaw 479 Limited

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.

As described in the basis for qualified opinion section of our report, our audit opinion is qualified in respect of the value of the investment property and the profit for the year. We have concluded that where the other information refers to investment property, the profit for the year and to related balances it is misstated for the same reason.

Opinions on other matters prescribed by the Companies Act 2006

Except for the effects of the matter described in the basis for qualified opinion section of our report, in our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

Except for the effects of the matter described in the basis for qualified opinion section of our report, 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 Director's 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; or
- the Directors were not entitled to take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement, 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.

FINLAW 479 LIMITED

Independent auditor's report to the members of Finlaw 479 Limited

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 at the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Alexander Tapp (Senior statutory auditor)

for and on behalf of

BDO LLP, Statutory Auditor
London, UK

Date: 24/3/21

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

FINLAW 479 LIMITED

**Statement of comprehensive income
For the Year Ended 30 June 2020**

	Note	2020 €	2019 €
Rental income	4	62,410	55,652
Property expenses		(9,868)	(13,358)
Gross profit		52,542	42,294
Administrative expenses		(779)	(4,253)
Loss on revaluation of investment property	9	-	(50,000)
Operating profit/(loss)	5	51,763	(11,959)
Interest payable and similar charges	7	(28,993)	(10,762)
Profit/(loss) before tax		22,770	(22,721)
Tax on profit/(loss)	8	-	9,500
(Loss)/Profit for the financial year and total comprehensive income		22,770	(13,221)

There was no other comprehensive income for 2020 (2019:€NIL).

The notes on pages 9 to 17 form part of these financial statements.

FINLAW 479 LIMITED
Registered number:05320733

Statement of financial position
As at 30 June 2020

	Note	2020 €	2019 €
Fixed assets			
Investment property	9	1,050,000	1,050,000
		<u>1,050,000</u>	<u>1,050,000</u>
Current assets			
Debtors: amounts falling due within one year	10	308,905	111,548
		<u>308,905</u>	<u>111,548</u>
Creditors: amounts falling due within one year	11	(16,983)	(12,800)
		<u>(16,983)</u>	<u>(12,800)</u>
Net current assets		<u>291,922</u>	<u>98,748</u>
Total assets less current liabilities		<u>1,341,922</u>	<u>1,148,748</u>
Creditors: amounts falling due after more than one year	12	(742,355)	(571,951)
Provisions for liabilities			
Deferred tax	15	(37,407)	(37,407)
		<u>(37,407)</u>	<u>(37,407)</u>
Net assets		<u>562,160</u>	<u>539,390</u>
Capital and reserves			
Called up share capital	16	1	1
Profit and loss account		562,159	539,389
		<u>562,160</u>	<u>539,390</u>

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

John L Miller

J M Miller
Director

Date: 24/3/21

The notes on pages 9 to 17 form part of these financial statements.

FINLAW 479 LIMITED

Statement of changes in equity For the Year Ended 30 June 2020

	Called up share capital	Profit and loss account	Total equity
	€	€	€
At 1 July 2019	1	539,389	539,390
Comprehensive income for the year			
Profit for the year	-	22,770	22,770
Total comprehensive income for the year	-	22,770	22,770
At 30 June 2020	1	562,159	562,160

The notes on pages 9 to 17 form part of these financial statements.

Statement of changes in equity For the Year Ended 30 June 2019

	Called up share capital	Profit and loss account	Total equity
	€	€	€
At 1 July 2018	1	552,610	552,611
Comprehensive income for the year			
Loss for the year	-	(13,221)	(13,221)
Total comprehensive income for the year	-	(13,221)	(13,221)
At 30 June 2019	1	539,389	539,390

The notes on pages 9 to 17 form part of these financial statements.

FINLAW 479 LIMITED

Notes to the financial statements For the Year Ended 30 June 2020

1. General information

Finlaw 479 Limited is a company incorporated in England and Wales under the Companies Act. The address of the registered office is given on the Company Information page. The principal activity of the company is that of property investment.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

The Directors recognise the economic and trading uncertainties resulting from the evolving coronavirus pandemic, in particular the potential impact on rental collection and property values. The Directors have prepared cash flow forecasts and stress tests taking these factors into account and assuming that no intra-group creditors will be called for payment. Whilst these forecasts show that the company will be able to continue to meet its obligations as they fall due without breaching covenants associated with existing bank loans, the company may in the worst case scenario need to secure waivers to certain covenants and/or additional funding from within the Tannen Group.

The Company has received an undertaking from its parent that no intra-group amounts owed by the Company will be called for repayment for a period of at least 12 months from the date of approval of these financial statements unless the Company is in a position to make payments without adversely affecting its ability to continue to trade and settle any future obligations.

These conditions indicate a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. However, the Tannen Group is expected to remain in a strong financial position during the forecast period and is confident of a gradual return to the group's previous financial position from at least spring 2021 onwards. The Directors expect the group's bankers to be supportive during this timeframe. In forecasting and planning, the directors have excluded the possible benefits derived from any use of Government lending.

The Directors are therefore confident of being able to trade for a period of at least 12 months from the approval of the financial statements and the Directors have therefore concluded that it is appropriate for the financial statements to be prepared on the going concern basis. These financial statements do not include any adjustments should the going concern basis preparation be inappropriate.

FINLAW 479 LIMITED

Notes to the financial statements For the Year Ended 30 June 2020

2. Accounting policies (continued)

2.3 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of The Tannen Group Limited as at 30 June 2020 and these financial statements may be obtained from Companies House.

2.4 Investment property

Investment property is carried at fair value determined annually by the directors and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of comprehensive income.

2.5 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties.

Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method.

FINLAW 479 LIMITED

Notes to the financial statements For the Year Ended 30 June 2020

2. Accounting policies (continued)

2.6 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the statement of comprehensive income, except that a charge attributable to an item of income or expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or to an item recognised directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

2.7 Revenue

Revenue represents gross rental income from the letting of property and is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Rent reviews are only recognised as income once the review has been settled, agreed and concluded.

2.8 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is Euros.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

2.9 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

FINLAW 479 LIMITED

Notes to the financial statements For the Year Ended 30 June 2020

2. Accounting policies (continued)

2.10 Reserves

The company's reserves are as follows:

- Called up share capital represents the nominal value of the shares issued
- Profit and Loss Account represents cumulative profits or losses, net of dividends and other adjustments.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements the directors have made judgements to determine the fair value of the company's investment property. Factors taken into consideration include the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset.

4. Turnover

All turnover arose within the European Union excluding the United Kingdom.

5. Operating profit/(loss)

Directors emoluments are borne by another group company. Auditor's remuneration is also paid by another group company and disclosed in its financial statements.

6. Employees

The Company has no employees other than the directors, who did not receive any remuneration (2019 - €NIL).

7. Interest payable and similar expenses

	2020 €	2019 €
Bank interest payable	28,517	9,254
Loan arrangement fees	476	1,508
	<u>28,993</u>	<u>10,762</u>

FINLAW 479 LIMITED

Notes to the financial statements For the Year Ended 30 June 2020

8. Taxation

	2020 €	2019 €
Total current tax	-	-
Deferred tax		
Origination and reversal of timing differences	-	(9,500)
Total deferred tax	-	(9,500)
Taxation on profit/(loss) on ordinary activities	-	(9,500)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2019 - lower than) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	2020 €	2019 €
Profit/(loss) on ordinary activities before tax	22,770	(22,721)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	4,326	(4,317)
Effects of:		
Group relief	(4,326)	(5,183)
Total tax charge for the year	-	(9,500)

FINLAW 479 LIMITED

Notes to the financial statements For the Year Ended 30 June 2020

9. Investment property

	Freehold investment property €
Valuation	
At 1 July 2019	1,050,000
At 30 June 2020	<u>1,050,000</u>

The 2020 valuations were made by the board of directors, based where applicable on discussions with valuation professionals and on valuation reports on certain of the company's properties prepared for lending purposes, on an open market value for existing use basis.

10. Debtors: Amounts falling due within one year

	2020 €	2019 €
Amounts owed by group undertakings	206,829	9,195
Other debtors	102,076	102,353
	<u>308,905</u>	<u>111,548</u>

Amounts owed by group undertakings are repayable on demand.

11. Creditors: Amounts falling due within one year

	2020 €	2019 €
Bank loans	15,478	9,254
Other creditors	1,505	3,546
	<u>16,983</u>	<u>12,800</u>

Amounts owed to group undertakings are repayable on demand.

FINLAW 479 LIMITED

Notes to the financial statements For the Year Ended 30 June 2020

12. Creditors: Amounts falling due after more than one year

	2020 €	2019 €
Bank loans	750,670	577,606
Loan arrangement fees	(8,315)	(5,655)
	<u>742,355</u>	<u>571,951</u>

The bank loan is secured by way of a fixed charge over the property of the company and of certain fellow subsidiaries.

Interest is fixed at a rate of 1.8% per annum until expiry in October 2029.

13. Loans

Analysis of the maturity of loans is given below:

	2020 €	2019 €
Amounts falling due within one year		
Bank loans	15,478	9,254
	<u>15,478</u>	<u>9,254</u>
Amounts falling due 1-2 years		
Bank loans	15,478	9,254
	<u>15,478</u>	<u>9,254</u>
Amounts falling due 2-5 years		
Bank loans	46,433	568,352
	<u>46,433</u>	<u>568,352</u>
Amounts falling due after more than 5 years		
Bank loans	688,759	-
	<u>688,759</u>	<u>-</u>
	<u>766,148</u>	<u>586,860</u>

FINLAW 479 LIMITED

Notes to the financial statements For the Year Ended 30 June 2020

14. Commitments under operating leases

The company's investment property is residential and is leased under short term rolling contracts. Hence, there are no future minimum lease receivables to disclose.

15. Deferred taxation

	2020 €
At beginning of year	(37,407)
Charged to profit or loss	-
At end of year	<u>(37,407)</u>

The provision for deferred taxation is made up as follows:

	2020 €	2019 €
Deferred tax on valuation gains on investment property	(37,407)	(37,407)
	<u>(37,407)</u>	<u>(37,407)</u>

16. Share capital

	2020 €	2019 €
Allotted, called up and fully paid		
1 (2019 - 1) Ordinary share of €1.00	1	1

17. Related party transactions

The company has taken advantage of paragraph 33.1A of FRS102 and has not disclosed transactions that have taken place with other group entities.

18. Post balance sheet events

The outbreak and unprecedented spread of the COVID-19 pandemic across the globe has had a profound impact on local and global markets and is expected to continue to shape the economic landscape for the immediate future. The Directors continue to monitor the impact of unfolding events closely in order to respond swiftly to any consequential implications on the business. Refer to note 2.2 for impacts on going concern.

FINLAW 479 LIMITED

**Notes to the financial statements
For the Year Ended 30 June 2020**

19. Ultimate parent undertaking and controlling party

The company's ultimate parent company is The Tannen Group Limited, Sutherland House, 70-78 West Hendon Broadway, London, NW9 7BT, which is controlled by the Tannen family. Group accounts can be obtained from the Registrar of Companies.