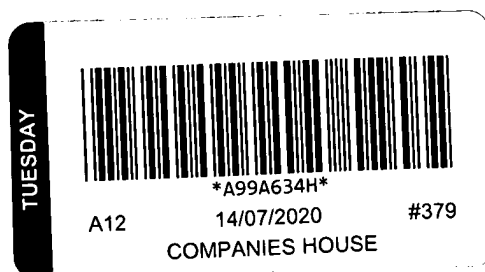


Registered number: 07673642

**LYNWOOD RETAIL UK LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**



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**LYNWOOD RETAIL UK LIMITED**

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**LYNWOOD RETAIL UK LIMITED**  
**REGISTERED NUMBER:07673642**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2019**

|   | Note | 2019<br>£                | 2018<br>£                |
|---|------|--------------------------|--------------------------|
| <b>Fixed assets</b>                                     |      |                          |                          |
| Investments   | 4    | 28,494,195               | 28,494,195               |
| <b>Current assets</b>                                   |      |                          |                          |
| Debtors due after more than 1 year                      | 5    | 21,773,752               | -                        |
| Debtors: amounts falling due within one year            | 5    | 437,204                  | -                        |
| Current asset investments                               | 6    | -                        | 721,669                  |
| Cash at bank and in hand                                |      | 27,164                   | 37,063                   |
|   |      | <u>22,238,120</u>        | <u>758,732</u>           |
| <b>Current liabilities</b>                              |      |                          |                          |
| Creditors: amounts falling due within one year          | 7    | (469,413)                | (38,165)                 |
| <b>Net current assets</b>                               |      | <u>21,768,707</u>        | <u>720,567</u>           |
| <b>Total assets less current liabilities</b>            |      | <u>50,262,902</u>        | <u>29,214,762</u>        |
| Creditors: amounts falling due after more than one year | 8    | (22,000,000)             | -                        |
| <b>Net assets</b>                                       |      | <u><u>28,262,902</u></u> | <u><u>29,214,762</u></u> |
| <b>Capital and reserves</b>                             |      |                          |                          |
| Called up share capital                                 | 9    | 15,108,000               | 15,000,000               |
| Share premium account                                   |      | 11,614,644               | 12,421,575               |
| Profit and loss account                                 |      | 1,540,258                | 1,793,187                |
|   |      | <u><u>28,262,902</u></u> | <u><u>29,214,762</u></u> |

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**LYNWOOD RETAIL UK LIMITED**  
**REGISTERED NUMBER:07673642**  
**STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT 31 DECEMBER 2019**

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The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with 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 on 16 June 2020.

  
**M Groenberg**  
Director

The notes on pages 3 to 7 form part of these financial statements.

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**LYNWOOD RETAIL UK LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**1. General information**

Lynwood Retail (UK) Limited is a limited liability company incorporated in England and Wales, with its registered office and business address at 4 Hill Street, London, W1J 5NE.

The principal activity of the Company during the period was that of a holding company.

The comparative figures are for the eight months ended 31 December 2018 following the disposal of all subsidiaries in the prior period to align with the accounting reference date of its parent company.

**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 Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

**2.2 Going concern**

The directors have considered the potential effect of the Covid-19 pandemic on the trade of the Company's principal investment and are satisfied that the adverse impact on retail trading can be adequately mitigated by online activities. The directors are satisfied that the Company has adequate resources available to meet all of its liabilities as they fall due for at least twelve months from the date of their approval of the financial statements. Accordingly the directors have continued to adopt the going concern basis.

**2.3 Foreign currency translation**

**Functional and presentation currency**

The Company's functional and presentational currency is £ Sterling.

**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.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

**2.4 Interest income**

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

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**LYNWOOD RETAIL UK LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**2. Accounting policies (continued)**

**2.5 Finance costs**

Finance costs are charged to the Statement of Comprehensive Income 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.

**2.6 Borrowing costs**

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

**2.7 Taxation**

Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or 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 in the countries where the Company operates and generates income.

**2.8 Valuation of investments**

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of Comprehensive Income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

**2.9 Debtors**

Short term debtors are measured at the transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.10 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**2.11 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.12 Dividends**

Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

**LYNWOOD RETAIL UK LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**2. Accounting policies (continued)**

**2.13 Financial instruments**

Basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Investments in non-derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the Statement of Comprehensive Income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

**3. Employees**

The average monthly number of employees, including directors, during the year/period was 3 (2018 - 3).

**4. Fixed asset investments**

|                       | Investments<br>in<br>subsidiary<br>companies<br>£ | Other fixed<br>asset<br>investments<br>£ | Total<br>£ |
|-----------------------|---|--|------------|
| <b>Cost</b>           |   |  |            |
| At 1 January 2019     | 28,494,195  | -  | 28,494,195 |
| Transfers intra group | (28,494,195)                                      | 28,494,195                               | -          |
| At 31 December 2019   | -   | 28,494,195                               | 28,494,195 |

**5. Debtors**

|                                     | 2019<br>£  | 2018<br>£ |
|-------------------------------------|------------|-----------|
| <b>Due after more than one year</b> |            |           |
| Amounts owed by group undertakings  | 21,773,752 | -         |
| <b>Due within one year</b>          |            |           |
| Amounts owed by group undertakings  | 437,204    | -         |

**LYNWOOD RETAIL UK LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**6. Current asset investments**

|                    | 2019<br>£ | 2018<br>£ |
|--------------------|-----------|-----------|
| Listed investments | -         | 721,669   |

**7. Creditors: Amounts falling due within one year**

|                                    | 2019<br>£      | 2018<br>£     |
|------------------------------------|----------------|---------------|
| Bank overdrafts                    | 348            | 288           |
| Trade creditors                    | 14,700         | 20,563        |
| Amounts owed to group undertakings | 444,165        | 17,314        |
| Accruals                           | 10,200         | -             |
|                                    | <u>469,413</u> | <u>38,165</u> |

**8. Creditors: Amounts falling due after more than one year**

|                 | 2019<br>£         | 2018<br>£ |
|-----------------|-------------------|-----------|
| Other creditors | <u>22,000,000</u> | <u>-</u>  |

**9. Share capital**

|  | 2019<br>£         | 2018<br>£         |
|--|-------------------|-------------------|
| <b>Allotted, called up and fully paid</b>                    |                   |                   |
| 15,108,000 (2018 - 15,000,000) Ordinary shares of £1.00 each | <u>15,108,000</u> | <u>15,000,000</u> |

During the year 108,000 Ordinary shares of £1 each were allotted and fully paid for a total consideration of £108,000.

**10. Related party transactions**

The company has taken advantage of the exemption under FRS102 33.1A Related Party Disclosures not to disclose transactions entered into between two or more members of a group, provided that any subsidiary undertaking which is a party to the transaction is wholly owned by a member of that group.



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**LYNWOOD RETAIL UK LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**11. Post balance sheet events**

The worldwide outbreak of the COVID-19 virus represents a significant event since the end of the financial period. In light of the impact of the virus upon the global economy the company has reviewed its cash flow forecasts and considered the impact on going concern, concluding that the going concern basis remains an appropriate basis of preparation for these financial statements given the likely cash flow impact of operations 12 months from the date of signing this report. Please refer to note 2.2 for further detail on the company's going concern basis of preparation.

COVID-19 is considered to be a non-adjusting post balance sheet event and therefore has not been taken into account in preparing the statement of financial position as at 31 December 2019.

**12. Controlling party**

The immediate parent undertaking of the Company is Lynwood Investments CY Limited, a company registered in Cyprus and the ultimate parent company is Alpha Global (PTC) Limited, a company registered in the British Virgin Islands. The ultimate controlling parties of the Company are Alpha Global (PTC) Limited (acting in its capacity as a trustee of the Alpha Trust), Nicolai Mamut (who is currently the sole beneficiary of that trust) and Marina Groenburg who has the right to exercise significant influence over the activities of that trust.

**13. Auditors' information**

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

The audit report was signed on 16 June 2020 by Stephen Iseman FCA (Senior Statutory Auditor) on behalf of Sopher + Co LLP.