

Registered number: 02996821

ROPETUNE (BRISTOL) LIMITED

Directors' report and financial statements

For the Year Ended 30 June 2018



ROPETUNE (BRISTOL) LIMITED

Company Information

Directors	D Tannen M I Tannen D A Tannen J M Miller
Company secretary	J M Miller
Registered number	02996821
Registered office	Sutherland House 70-78 West Hendon Broadway London NW9 7BT
Independent auditor	BDO LLP 55 Baker Street London W1U 7EU

ROPETUNE (BRISTOL) LIMITED

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ROPETUNE (BRISTOL) LIMITED

Directors' report For the Year Ended 30 June 2018

The directors present their report and the financial statements for the year ended 30 June 2018.

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 £78,217 (2017 - £142,766).

The directors do not recommend the payment of a dividend (2017 - £Nil).

Directors

The directors who served during the year were:

D Tannen
M I Tannen
D A Tannen
J M Miller

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.

ROPETUNE (BRISTOL) LIMITED

**Directors' report (continued)
For the Year Ended 30 June 2018**

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.

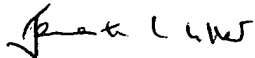
Auditor

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: 29 MAR 2019

ROPETUNE (BRISTOL) LIMITED

Independent auditor's report to the members of Ropetune (Bristol) Limited

Qualified opinion

We have audited the financial statements of Ropetune (Bristol) Limited ("the Company") for the year ended 30 June 2018 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and 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 2018 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

As explained in note 2.3, investment properties have been included in the financial statements at cost less any provision for impairment rather than fair value as required by FRS 102 Section 16 'Investment Property'. We are unable to quantify the effect, if any, on reserves and tangible fixed assets of this non-compliance with accounting standards in both the current and preceding periods.

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 qualified 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 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 annual 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

ROPETUNE (BRISTOL) LIMITED

Independent auditor's report to the members of Ropetune (Bristol) Limited

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 above, the company is non-compliant with FRS 102 in relation to the Investment Properties. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to this matter.

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 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

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, for the reasons described in the Basis for qualified opinion section above, we are unable to determine if there are 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 prepare the financial statements in accordance with the small companies regime and 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.

ROPETUNE (BRISTOL) LIMITED

Independent auditor's report to the members of Ropetune (Bristol) Limited

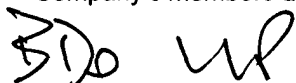
Auditor's responsibilities for the audit of the financial statements

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.



Richard Levy (Senior statutory auditor)

for and on behalf of

BDO LLP, Statutory Auditor
London
United Kingdom

Date: 29 MAR 2019

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

ROPETUNE (BRISTOL) LIMITED

Statement of comprehensive income For the Year Ended 30 June 2018

	Note	2018 £	2017 £
Rental income	4	454,674	482,231
Property expenses		1,297	(1,730)
Gross profit		455,971	480,501
Administrative expenses		(96,475)	(114,357)
Operating profit	5	359,496	366,144
Interest receivable and similar income		194	75
Interest payable and similar charges	6	(281,473)	(223,453)
Profit before tax		78,217	142,766
Tax on profit	7	-	-
Profit for the financial year and total comprehensive income		78,217	142,766

There was no other comprehensive income for 2018 (2017:£NIL).

The notes on pages 9 to 15 form part of these financial statements.

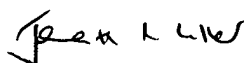
ROPETUNE (BRISTOL) LIMITED
Registered number:02996821

Statement of financial position
As at 30 June 2018

	Note	2018 £	2017 £
Fixed assets			
Investment property	8	7,123,993	7,123,993
		<u>7,123,993</u>	<u>7,123,993</u>
Current assets			
Debtors: amounts falling due within one year	9	596,713	489
Cash at bank and in hand		132,931	377,601
		<u>729,644</u>	<u>378,090</u>
Creditors: amounts falling due within one year	10	(1,202,388)	(1,799,594)
Net current liabilities		<u>(472,744)</u>	<u>(1,421,504)</u>
Total assets less current liabilities		<u>6,651,249</u>	<u>5,702,489</u>
Creditors: amounts falling due after more than one year	11	(4,730,915)	(3,860,372)
Net assets		<u><u>1,920,334</u></u>	<u><u>1,842,117</u></u>
Capital and reserves			
Called up share capital	13	100	100
Profit and loss account		1,920,234	1,842,017
		<u><u>1,920,334</u></u>	<u><u>1,842,117</u></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 on



J M Miller
Director

29 MAR 2019

The notes on pages 9 to 15 form part of these financial statements.

ROPETUNE (BRISTOL) LIMITED

Statement of changes in equity For the Year Ended 30 June 2018

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 July 2017	100	1,842,017	1,842,117
Comprehensive income for the year			
Profit for the year	-	78,217	78,217
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	78,217	78,217
At 30 June 2018	100	1,920,234	1,920,334

The notes on pages 9 to 15 form part of these financial statements.

Statement of changes in equity For the Year Ended 30 June 2017

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 July 2016	100	1,699,251	1,699,351
Comprehensive income for the year			
Profit for the year	-	142,766	142,766
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	142,766	142,766
At 30 June 2017	100	1,842,017	1,842,117

The notes on pages 9 to 15 form part of these financial statements.

ROPETUNE (BRISTOL) LIMITED

Notes to the financial statements For the Year Ended 30 June 2018

1. General information

Ropetune (Bristol) 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 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 4 Statement of Financial Position paragraph 4.12(a)(iv);
- 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 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 2018 and these financial statements may be obtained from Companies House.

2.3 Investment property

Investment properties are stated in the statement of financial position at cost less any provision for impairment. This treatment is not in accordance with FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland, which requires such properties to be stated at their fair value.

2.4 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.

ROPETUNE (BRISTOL) LIMITED

Notes to the financial statements For the Year Ended 30 June 2018

2. Accounting policies (continued)

2.5 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 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.

2.6 Going concern

The directors have prepared the financial statements on a going concern basis notwithstanding the fact that the company has net current liabilities.

The company has received a letter of financial support from The Tannen Group Limited, its ultimate parent company, confirming that it will provide financial support to the company for the foreseeable future to enable it to meet its obligations and liabilities as they fall due. On the basis of the above, the directors are of the opinion that it is appropriate to prepare the financial statements on a going concern basis.

2.7 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

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.

ROPETUNE (BRISTOL) LIMITED

Notes to the financial statements For the Year Ended 30 June 2018

2. Accounting policies (continued)

2.8 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.

Lease incentives are recognised over the period of the lease. However, the Company took advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard to continue to be charged over the shorter period to the first market rent review rather than the term of lease.

2.9 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.

2.10 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 whether there are indicators of impairment 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 United Kingdom.

ROPETUNE (BRISTOL) LIMITED

Notes to the financial statements For the Year Ended 30 June 2018

5. Operating profit

The operating profit is stated after charging:

	2018 £	2017 £
Exchange differences	(12,146)	14,403

The directors' emoluments are paid by another group company and an amount of £44,000 (2017 - £45,000) has been recharged to this company for the provision of their services. Auditor's remuneration is also paid by another group company and disclosed in its financial statements.

The company has no employees other than directors, who did not receive any remuneration (2017 - £NIL).

6. Interest payable and similar expenses

	2018 £	2017 £
Bank interest payable	198,893	166,720
Loan arrangement fees	40,748	14,410
Other interest payable	41,832	42,323
	<u>281,473</u>	<u>223,453</u>

7. Taxation

	2018 £	2017 £
Total current tax	-	-

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2017 - lower than) the standard rate of corporation tax in the UK of 19% (2017 - 20%). The differences are explained below:

	2018 £	2017 £
Profit on ordinary activities before tax	<u>78,216</u>	<u>142,767</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017 - 20%)	14,861	28,553
Effects of:		
Group relief	<u>(14,861)</u>	<u>(28,553)</u>
Total tax charge for the year	<u>-</u>	<u>-</u>

ROPETUNE (BRISTOL) LIMITED

Notes to the financial statements For the Year Ended 30 June 2018

8. Investment property

	Freehold investment property £	Long term leasehold investment property £	Total £
Cost			
At 1 July 2017	3,900,507	3,223,486	7,123,993
At 30 June 2018	<u>3,900,507</u>	<u>3,223,486</u>	<u>7,123,993</u>

9. Debtors: Amounts falling due within one year

	2018 £	2017 £
Amounts owed by group undertakings	523,335	-
Other debtors	69,434	-
Prepayments and accrued income	3,944	489
	<u>596,713</u>	<u>489</u>

10. Creditors: Amounts falling due within one year

	2018 £	2017 £
Bank loans	124,189	200,000
Amounts owed to group undertakings	896,451	1,401,344
Taxation and social security	12,000	12,000
Other creditors	-	3,524
Accruals and deferred income	169,748	182,726
	<u>1,202,388</u>	<u>1,799,594</u>

Amounts owed to group undertakings are repayable on demand.

ROPETUNE (BRISTOL) LIMITED

Notes to the financial statements For the Year Ended 30 June 2018

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

	2018 £	2017 £
Bank loans	4,843,401	3,900,000
Loan arrangement fees	(112,486)	(39,628)
	<u>4,730,915</u>	<u>3,860,372</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 3.79% per annum until expiry in June 2023.

12. Loans

Analysis of the maturity of loans is given below:

	2018 £	2017 £
Amounts falling due within one year		
Bank loans	124,189	200,000
	<u>124,189</u>	<u>200,000</u>
Amounts falling due 1-2 years		
Bank loans	124,190	200,000
	<u>124,190</u>	<u>200,000</u>
Amounts falling due 2-5 years		
Bank loans	4,719,211	3,700,000
	<u>4,719,211</u>	<u>3,700,000</u>
	<u>4,967,590</u>	<u>4,100,000</u>

13. Share capital

	2018 £	2017 £
Shares classified as equity		
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

ROPETUNE (BRISTOL) LIMITED

Notes to the financial statements For the Year Ended 30 June 2018

14. Commitments under operating leases

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

The company also leases out commercial investment property under non-cancellable operating leases for the following future minimum lease payments. There are no contingent rents.

	2018 £	2017 £
Not later than 1 year	286,038	300,158
Later than 1 year and not later than 5 years	1,089,000	1,102,788
Later than 5 years	359,043	631,293
	<u>1,734,081</u>	<u>2,034,239</u>

15. 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.

16. 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 registered in England and Wales and controlled by the Tannen family.