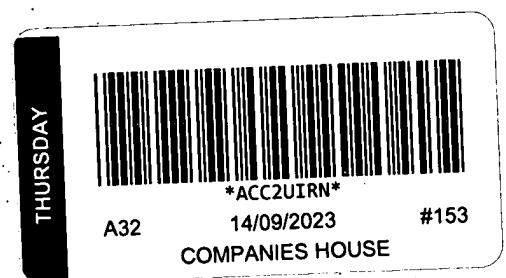


FIL Villa Mumm Limited

Registered number: 03855677

**Report and financial statements
for the year ended 31 December 2022**



FIL VILLA MUMM LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The Directors submit their report and audited financial statements of FIL Villa Mumm Limited ("the Company"), registered number 03855677, for the year ended 31 December 2022.

Principal activities

The Company's principal activity is the ownership of Villa Mumm, a freehold property located in Germany which is occupied by German subsidiary undertakings of the Company's parent entity, FIL Limited ("the Parent").

Business review

Having regard to the Company's expected future cashflows, these financial statements have been prepared on the going concern basis.

The results for the Company are set out on page 7. The Company's loss after tax for the financial year is €558,000 (31 December 2021: profit of €234,000). No interim dividend was paid in the year (31 December 2021: €Nil). No final dividend is proposed (31 December 2021: €Nil).

The company's statement of financial position is set out on page 8 and shows net liabilities at 31 December 2022 of €268,000 (31 December 2021: assets of €290,000).

Key performance indicators ("KPIs")

The main KPIs that are monitored include loss for the financial year and changes in the valuation of investment property. The total loss for the financial year to 31 December 2022 was €558,000 which included a loss on the revaluation of the investment property of €987,000 (31 December 2021: gain of €190,000).

Development of the business

The Company's activities are expected to continue during the coming year.

Financial risk management

The principal risks and uncertainties facing the Company are credit risk, liquidity risk and valuation risk.

The Company is committed to a business strategy which supports the proactive identification and assessment of risk, and uses risk information to enhance informed decision making and develop appropriate mitigation strategies. The Directors monitor risks associated with the Company and work closely with the risk management department of the Parent Company to identify potential risks and deal with them.

As a 100% subsidiary of FIL Limited, the Company is part of the FIL Group (the "Group") and has access to various oversight functions which provide a global and independent perspective to assist senior management with establishing policies and procedures for effective control and risk management. These functions include a central risk management department, a global compliance Group, a global internal audit Group and an investigation and intelligence unit.

Credit risk

The Group makes use of credit rating services from the major credit rating agencies, has access to the research of brokerage firms and independent research companies and has implemented policies that require credit checks where appropriate on potential counterparties.

Financial instruments exposure may only be to counterparties under guidelines approved by the FIL Limited ("FIL") Head of Treasury or FIL Group Chief Financial Officer. Surplus cash is carefully considered for placement with liquidity funds (all AAAm and/or Aaa-mf) to improve credit risk exposure and reduce direct exposure to banks. Cash balances are held only with banks and liquidity funds with whom the FIL Group has strong, well-established relationships. Counterparty limits are used to manage the counterparty exposure. Internal ratings are maintained by the Fidelity Counterparty Research & Analytics Group.

FIL VILLA MUMM LIMITED

DIRECTORS' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2022

Liquidity risk

The Group has implemented a Liquidity risk policy. This policy requires the Group to maintain a framework for the management of liquidity risk that will assure that the Group will have sufficient surplus liquid resources to meet operational, legal and regulatory requirements.

Authority is delegated by the Company and other Group boards to the Head of Treasury to carry out the day-to-day management and reporting of the Group liquidity ensuring that it at all times complies with Group requirements, regulatory requirements as advised by Finance and FIL Group policy.

Valuation risk

The property within the company is held by the Group for its own use. Inline with FRS102, the investment property held by the company is held at fair value as at the reporting date and is valued internally.

Policy and practice on payment of creditors

It is the Group's policy in respect of all suppliers to agree payment terms in advance of the supply and to adhere to these payment terms.

Qualifying third party pension scheme indemnity provision

During the year and on the date of approval of these financial statements the Directors of the Group have the benefit of indemnities in relation to the Company or an associated Company which are qualifying third party indemnity provisions and qualifying pension scheme indemnity provisions, as defined by Sections 234 and 235 of the Companies Act 2006. In addition, during the year the Company has maintained insurance for Directors.

Directors

The Directors of the Company who were in office during the year and up to the date of signing the financial statements are listed below:

M Heath
R Musgrove

Going concern

It is recognised that at 31 December 2022 the Company has net liabilities. This does not affect the Company's going concern status as all outstanding debt is held within the FIL Limited Group. Appropriate commitments for support have been provided to the Company.

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Report and Financial Statement and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

Under company law, 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 the 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 United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

FIL VILLA MUMM LIMITED

DIRECTORS' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2022

Statement of directors' responsibilities (continued)

The directors are responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

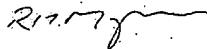
The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Statement of disclosure of information to Auditors

So far as the Directors are aware there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Company's Auditors are unaware, and they have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's Auditors are aware of that information.

The report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

The financial statements were approved by the Board on 12 September 2023 and were signed by Robert Musgrove on the Board's behalf.



Robert Musgrove
Director

Independent auditors' report to the members of FIL Villa Mumm Limited

Report on the audit of the financial statements

Opinion

In our opinion, FIL Villa Mumm Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its loss and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: the Statement of Financial Position as at 31 December 2022; the Statement of Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion on, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

Auditors' 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 auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of the requirements of the Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing relevant board meeting minutes;
- Identifying and testing journal entries, in particular any journal entries posted containing unusual account descriptions and entries posted with unusual amounts;

- Designing audit procedures to incorporate unpredictability around the nature, timing and extent of our testing; and
- Challenging assumptions and judgements made by management in their significant accounting estimates, in particular in relation to the valuation of the investment property.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Jennifer March (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
12 September 2023

FIL VILLA MUMM LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2022

		12 months ended 31 December 2022	12 months ended 31 December 2021
	Note	€'000	€'000
Turnover		1,613	1,613
Gross profit		1,613	1,613
Change in fair value of investment properties	6	(987)	190
Administrative expenses		(575)	(837)
Operating profit		51	966
Interest payable and similar expenses	2	(480)	(382)
(Loss)/ profit before taxation	4	(429)	584
Tax on (loss)/ profit	5	(129)	(350)
(Loss)/ profit for the financial year	16	(558)	234

All amounts reported in the Statement of Comprehensive Income for the year ended 31 December 2022 and 31 December 2021 relate to continuing operations.

FIL VILLA MUMM LIMITED

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

	Note	31 December 2022 €'000	31 December 2021 €'000
Fixed assets			
Investment property	6	22,080	22,757
		<u>22,080</u>	<u>22,757</u>
Current assets			
Debtors	7	26	131
Investments	8	1,892	592
Cash at bank and in hand		668	1,098
		<u>2,586</u>	<u>1,821</u>
Creditors: amounts falling due within one year	9	(6,960)	(6,466)
Net current liabilities		<u>(4,374)</u>	<u>(4,645)</u>
Total assets less current liabilities		17,706	18,112
Creditors: amounts falling due after more than one year	10	(16,769)	(16,769)
Provisions for liabilities	11	(1,205)	(1,053)
Net (liabilities)/ assets		<u>(268)</u>	<u>290</u>
Capital and reserves			
Called up share capital	15	2	2
Profit and loss account	16	(270)	288
Total shareholders' funds (deficit)/ surplus	17	<u>(268)</u>	<u>290</u>

The financial statements on pages 7 to 18 were approved by the Board of Directors on 12 September 2023 and signed on its behalf by:



Robert Musgrove
Director
FIL Villa Mumm Limited
Registered number: 03855677

FIL VILLA MUMM LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022

	Called up share capital €'000	Profit and loss account €'000	Total Shareholders' funds/ (deficit) €'000
At 1 Jan 2021	2	54	56
Total comprehensive income	-	234	234
At 31 December 2021	2	288	290
Total comprehensive loss	-	(558)	(558)
At 31 December 2022	2	(270)	(268)

FIL VILLA MUMM LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2022

		12 months ended 31 December 2022	12 months ended 31 December 2021
	Note	€'000	€'000
Net cash generated from operating activities	12	<u>1,660</u>	<u>1,072</u>
Cash outflow from investing activities			
Additions to investment property		<u>(310)</u>	<u>(411)</u>
Net cash used in investing activities		<u>(310)</u>	<u>(411)</u>
Cash outflow from financing activities			
Interest paid		<u>(480)</u>	<u>(4)</u>
Net cash used in financing activities		<u>(480)</u>	<u>(4)</u>
Net increase in cash and cash equivalents	13	<u>870</u>	<u>657</u>
		12 months ended 31 December 2022	12 months ended 31 December 2021
		€'000	€'000
Net increase in cash and cash equivalents		870	657
Cash and cash equivalents at 1 January		1,690	1,033
Cash and cash equivalents at 31 December	14	<u>2,560</u>	<u>1,690</u>

FIL VILLA MUMM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1 Principal accounting policies

1.1 General information

FIL Villa Mumm Limited is a private company limited by shares and incorporated in England and Wales. The registered office is 4 Cannon Street, London, EC4M 5AB.

1.2 Statement of compliance

The financial statements of FIL Villa Mumm Limited have been prepared in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102"), and the Companies Act 2006.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

1.3 Basis of preparation

These financial statements are prepared on the going concern basis, under the historical cost convention in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

At the balance sheet date the Company had net current liabilities of €4,374,000 (2021: net current liabilities of €4,645,000). The directors have reviewed the current and projected financial position of the company, making reasonable assumptions about future trading performance. In addition, a letter of support has been provided by FIL Limited. Accordingly the financial statements have been prepared on a going concern basis.

1.4 Turnover

Turnover, which arises wholly in Germany and excludes value added tax, represents rent chargeable to FIL Limited Group Undertakings. Rent is charged on the Company's freehold property and is accounted for on the accruals basis and recognised as earned. Turnover received in advance for services to be provided in the future is deferred and recognised over the service period.

1.5 Investment property

As at 31 December 2022 and 31 December 2021, the investment property was valued internally by FIL Limited. For both years, the calculation was performed by the Real Estate Director using the direct capitalisation method for valuation, based upon a 10 year projected horizon with a discount rate of 7% (31 December 2021: 5%).

1.6 Investments

Current asset investments include investments in mutual and collective funds and money market deposits. Current asset investments are stated at the lower of cost or net realisable value. The company has chosen to adopt sections 11 and 12 of FRS 102 in respect of financial instruments.

1.7 Cash at bank

Cash in the balance sheet comprise cash at bank and in hand that are repayable on demand.

1.8 Foreign currencies

Monetary assets and liabilities of the company expressed in foreign currencies are translated into euro at rates of exchange ruling at the balance sheet date. Transactions denominated in foreign currency are translated into euro at the rate of exchange ruling on the date of the transaction. Translation differences are included in loss before taxation.

FIL VILLA MUMM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

1 Principal accounting policies (continued)

1.9 Debtors

Short-term debtors, with no stated interest rate and receivable within one year, are measured at transaction price less any impairment. Any losses arising from impairment are recognised in the profit and loss account. All debt instruments which are basic financial instruments are measured at amortised cost using the effective interest method, less any impairment.

1.10 Creditors

Short-term creditors, with no stated interest rate and payable within one year, are measured at transaction price. Other financial liabilities are measured at amortised cost.

1.11 Provisions

Provisions are recognised when the company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and the amount of the obligation can be estimated reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation.

1.12 Functional and presentational currency

The functional currency of the company is determined to be the Euro, this is the same as the presentational currency.

1.13 Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is recognised as recoverable, and therefore recognised, only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis.

1.14 Pension scheme arrangements

Another FIL Limited group company, FIL Investment Management Limited ("FILM"), operates a self-administered defined contribution scheme in which eligible employees of FILM and Directors of the Company participate.

Within the defined contribution scheme, there is a small sub-set of employees (current and deferred members) who are covered by a final salary guarantee on their pension. This ensures that for the Members covered, the pension paid will be no less than a pre-defined percentage of the Members' final salary. For these Members, the defined contribution plan acts as a defined benefit scheme. This is a closed pool of employees and there is no option for any additional members to be added to this part of the scheme.

Members who retire after 1 July 2003 have the option to buy an annuity within the scheme. FILM takes the risk that the amount set aside will not meet the pension payments of the retiree.

A full description of the plan is included in the FILM financial statements.

FIL VILLA MUMM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

1 Principal accounting policies (continued)

1.15 Critical accounting judgements and estimation uncertainty

The valuation of the investment property is subject to a degree of estimation uncertainty due to the nature of the investment and that fluctuations will be expected year-on-year. Further details are given in note 6.

2 Interest payable and similar expenses

	12 months ended 31 December 2022	12 months ended 31 December 2021
	€'000	€'000
Interest payable on amounts owed to Group Undertakings	479	378
Other interest paid	1	4
	<u>480</u>	<u>382</u>

3 Directors' emoluments

	12 months ended 31 December 2022	12 months ended 31 December 2021
	€'000	€'000
<u>All Directors</u>		
Aggregate emoluments	10	10
Company pension contributions to defined contribution schemes	1	1
	<u>11</u>	<u>11</u>

During the financial year, retirement benefits were accruing to 1 Director (31 December 2021: 1) under a defined contribution scheme.

Director's emoluments are borne by a fellow Group undertaking, FIML.

As at 31 December 2022 there were no outstanding or prepaid contributions to the pension scheme (31 December 2021: €Nil) in relation to Directors.

4 (Loss)/ profit before taxation

The Company does not have any employees (31 December 2021: none).

Another Group undertaking employs all staff and assumes the associated staff costs.

Services provided by the Company's Auditors:

- Fees for tax consultancy are €58,000 (31 December 2021: €38,000).
- Fees for the audit of the Company are €31,000 (31 December 2021: €36,000).

FIL VILLA MUMM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

5 Tax on (loss)/ profit

a) The charge for tax on the (loss)/ profit is made up as follows:

	12 months ended 31 December 2022	12 months ended 31 December 2021
	€'000	€'000
Current taxation		
UK corporation tax on (loss)/ profit for the year	4	15
Adjustments in respect of prior year	(27)	20
Total current taxation	(23)	35
Deferred taxation		
Origination and reversal of timing differences	152	315
Total taxation on (loss)/ profit on ordinary activities	129	350

b) The total taxation assessed for the financial year is higher (31 December 2022: higher) than the standard rate of corporation taxation in the UK. The differences are explained below:

	12 months ended 31 December 2022	12 months ended 31 December 2021
	€'000	€'000
(Loss)/ profit before taxation	(429)	584
(Loss)/ profit before taxation multiplied by the standard rate of UK corporation tax at 19% (31 December 2021: 19%)	(82)	111
Effects of:		
Prior year deferred tax movement	33	4
Tax rate changes	29	-
Deferred tax not recognised	187	(36)
Expenses not deductible for tax purposes	(12)	-
Rate change to opening deferred tax	-	251
Adjustment in respect of prior years	(26)	20
Total tax charge	129	350

The current UK Corporation Tax rate is 19% (31 December 2021: 19%).

c) The movement on the deferred tax liability is as follows:

	12 months ended 31 December 2022	12 months ended 31 December 2021
	€'000	€'000
At 1 January	(1,053)	(738)
Deferred tax charged in the statement of comprehensive income	(152)	(315)
At 31 December	(1,205)	(1,053)

FIL VILLA MUMM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

5 Tax on (loss)/ profit (continued)

d) The deferred tax liability consists of:

	12 months ended 31 December 2022	12 months ended 31 December 2021
	€'000	€'000
Provision for liabilities (note 11)	(1,205)	(1,053)
Capital allowances in excess of depreciation	(1,205)	(1,053)

The expected increase in the deferred tax liability in the next reporting period i.e. the 12 months to 31 December 2023 is €47,515. This is due to the claim of capital allowances.

The deferred tax balances have been calculated using the future tax rate of 25% (2021: 25%).

The finance act 2021, which received Royal Assent on 10 June 2021, announced that the current Corporation Tax rate of 19% in the UK would rise to 25% from 1 April 2023.

Based on the current valuation at 31 December 2022, a disposal would result in a tax loss of €34,060,000 (31 December 2021: €36,734,000). A tax asset has not been recognised in respect of this revaluation as the probability of recovering the tax loss is remote.

6 Investment property

	12 months ended 31 December 2022	12 months ended 31 December 2021
	€'000	€'000
At 1 January	22,757	22,156
Additions	310	411
(Loss)/ profit on revaluation	(987)	190
At 31 December	22,080	22,757
Net book value at 31 December	22,080	22,757

The historical cost of the investment property is €95,933,000 (31 December 2021: €95,723,000).

The investment property has been valued internally by FIL Limited as at 31 December 2022. The valuation is based upon a 10 year projected horizon with a discount rate of 7% (31 December 2021: 5%).

7 Debtors

	31 December 2022	31 December 2021
	€'000	€'000
Rent earned but not received	1	1
VAT recoverable	24	100
Amounts owed by Group Undertakings	1	11
Invoice payments in advance	-	19
	26	131

FIL VILLA MUMM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

8 Investments

	31 December 2022	31 December 2021
	€'000	€'000
Mutual and collective fund investments	1,892	592

9 Creditors: amounts falling due within one year

	31 December 2022	31 December 2021
	€'000	€'000
Amounts owed to Group Undertakings	4,773	4,698
Invoices due for payment	79	-
Accruals and deferred income	2,108	1,768
	6,960	6,466

Amount owed to Group Undertakings comprise a loan of €4,631,500 (31 December 2021: €4,631,500), and an intercompany payable of €141,102 (31 December 2021: €66,320).

With effect from 1 December 2019 a loan agreement was entered into with FIL Limited amounting to €21,400,000. The loan is non interest bearing and repayable on demand. On 19 March 2021, part of the loan was repaid to FIL Limited amounting to €16,768,500 resulting in a remaining loan of €4,631,500.

10 Creditors: amounts falling due after more than one year

	31 December 2022	31 December 2021
	€'000	€'000
Amounts owed to Group Undertaking	16,769	16,769

On 19 March 2021, a new loan agreement was entered into for €16,768,500 with a fellow Group Undertaking, FIL Holdings (Luxembourg) S.A. The loan is for a term of 5 years repayable on 19 March 2026, at an annual interest rate of 2.86%.

11 Provisions for liabilities

	31 December 2022	31 December 2021
	€'000	€'000
Opening position	1,053	693
Movement during the year	152	360
Closing position	1,205	1,053

Provisions for liabilities relate to deferred tax.

FIL VILLA MUMM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

12 Net cash generated from operating activities

	12 months ended 31 December 2022	12 months ended 31 December 2021
	€'000	€'000
Gross profit	1,613	1,613
Administration expenses	(575)	(837)
Taxation paid	(292)	(370)
Decrease in debtors	104	63
Increase in creditors	658	288
Increase in deferred tax	152	315
Net cash generated from operating activities	1,660	1,072

13 Reconciliation of net cash flow to movement in net cash

	12 months ended 31 December 2022	12 months ended 31 December 2021
	€'000	€'000
Increase in cash and cash equivalents in the year	870	657
Net cash and cash equivalents at 1 January	1,690	1,033
Net cash and cash equivalents 31 December	2,560	1,690

14 Analysis of net cash

	As at 1 January 2022	Cash flow	As at 31 December 2022
	€'000	€'000	€'000
Cash at bank and in hand	1,098	(430)	668
Investments	592	1,300	1,892
	1,690	870	2,560

15 Called up share capital

	31 December 2022	31 December 2021
	€'000	€'000
Authorised		
1,000,000 (31 December 2021: 1,000,000) Ordinary €1.50 shares	1,500	1,500
Allotted and fully paid		
1,000 (31 December 2021: 1,000) Ordinary €1.50 shares	2	2

FIL VILLA MUMM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

16 Profit and loss account

	31 December 2022	31 December 2021
	€'000	€'000
At 1 January	288	54
(Loss)/ profit for the financial year	(558)	234
At 31 December	(270)	288

17 Reconciliation of movements in shareholders' funds

	31 December 2022	31 December 2021
	€'000	€'000
(Loss)/ profit for the financial year	(558)	234
Opening shareholders' funds	290	56
Closing shareholders' (deficit)/ funds	(268)	290

18 Ultimate Parent Undertaking and Controlling Party

The immediate and ultimate Parent Undertaking and Controlling Company as at the balance sheet date was FIL Limited ("FIL"), a Bermuda company which owns 100% of FIL Villa Mumm Limited's issued share capital. FIL is the Parent Undertaking of the largest and smallest Group of undertakings to consolidate these financial statements.

19 Related party transactions

During the year the Company charged rents and service charges to:

- (i) FIL Investment Services GmbH - office rents of €1,261,000 (2021: €1,261,000), parking fees of €79,000 (2021: €79,000) and service charges of €2,175,000 (2021: €2,351,000).
- (ii) FIL Fondsbank GmbH - office rents of €47,000 (2021: €47,000), parking fees of €86,000 (2021: €86,000) and service charges of €70,000 (2021: €70,000).
- (iii) FIL Financial Services GmbH - office rents of €60,000 (2021: €60,000), parking fees of €21,000 (2021: €21,000) and service charges of €91,000 (2021: €91,000).
- (iv) FIL (Luxembourg) SA - office rents of €33,000 (2021: €33,000), parking fees of €12,000 (2021: €12,000) and service charges of €50,000 (2021: €50,000).

On 1 December 2019, a new non interest bearing loan was entered into with FIL Limited. The amount due to FIL Limited as at 31 December 2022 was €4,631,500 (31 December 2021: €4,631,500).