The Connaught Hotel Limited

Reports and financial statements

Year ended 31 December 2018

Registered number: 3669273

The Connaught Hotel Limited

Contents | *Page*

The Connaught Hotel Limited

Directors and other information

Board of Directors	Fady Bakhos Liam Cunningham
Registered office	41 - 43 Brook Street Mayfair London W1K 4HJ
Auditor	Ernst & Young LLP 1 More London Place London SE1 2AF
Bankers	Barclays Bank 1 Churchill Place London E14 5HP Allied Irish Bank (GB) City Office 9 – 10 Angel Court London EC2R 7AB
Solicitors	MacFarlanes LLP 10 Norwich Street London EC4A 1BD
Registered number	3669273

The Connaught Hotel Limited

Strategic report

The directors present their Strategic report and audited financial statements for the year ended 31 December 2018.

Principal activity

The main activity of The Connaught Hotel Limited ('the Company') continues to be the ownership and operation of The Connaught Hotel, London, a five star hotel in the United Kingdom.

Business review

The company achieved a turnover of £52.6 million (2017: £47.0 million) in the year ended 31 December 2018 which represents an increase of 11.9% (2017: 7.2%) compared to the previous year.

The company returned an operating profit of £11.7 million in the year to 31 December 2018 (2017: £10.1 million profit).

The key performance indicators for the company are highlighted in the below table:

	2018	2017
REVPAR £	**702.6**	634.9
Gross profit %	**65.2**	65.3
Operating profit %	**22.3**	21.7

Principal risks and uncertainties

The hotel industry's performance is closely aligned to the general economic environment. Therefore, a key risk facing the company is adverse economic conditions. The Company recognises the potentially adverse impact of The United Kingdom leaving the European Union and the continued pressure of the increase in the supply of luxury accommodation in London, however management believes it has the team, strategies and initiatives in place to defend and build on its position effectively.The Connaught Hotel Limited has an effective revenue strategy charging its customers rates that vary depending on levels of demand. This reduces, though does not eliminate, the financial impact arising from such adverse conditions.

By order of the board and signed on its behalf by

Liam Cunningham
Director

28 June 2019

The Connaught Hotel Limited

Directors' Report

The directors present their report for the year ended 31 December 2018.

Dividends

The dividends paid during the year amounted to £Nil (2017: £148.7 million)

Directors and their interests

The directors who held office during the year were as follows:

Liam Cunningham
Fady Bakhos

Directors' liabilities

The Company has granted an indemnity to one or more of its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the Directors' report.

Equal opportunities and diversity

The Company is an equal opportunities employer and will continue to ensure it offers career opportunities without discrimination. Full consideration is given to applications for employment from disabled persons, having regard to their particular aptitudes and abilities. The Company has continued the employment wherever possible of any person who becomes disabled during their employment. Opportunities for training, career development and promotion do not operate to the detriment of disabled employees.

Employee involvement

The Company operates a framework for employee information and consultation which complies with the requirements of the Information and Consultation of Employees Regulations 2005. During the year, the policy of providing employees with information, including information relating to the *economic and financial factors affecting the performance of the company*, has been continued through the staff quertelry meetings.Regular meetings are held between local management and employees to allow a free flow of information and ideas.

Employees participate directly in the success of the business through the Company's various incentive schemes.

Future developments

The Company is determined to enhance, invest and further develop its iconic hotel through various room enhancement programs, and continued investment in its foo and beverage offering.

During 2019, Company management will continue to focus on leveraging its strong brands backed by an experienced management team and the execution of a strategic capital investment programme to keep its product relevant to contemporary market demands and customer needs. The delivery of extraordinary experiences to its guests remains the Company's foremost goal to drive loyalty.

The medium-term outlook for London is positive. Company management recognises however the potentially adverse impact of The United Kingdom leaving the European Union and continued pressure of the increase in the supply of luxury accommodation in London, management believes it has the team, strategies and initiatives in place to defend and build on its position effectively.

Directors' Report *(continued)*

Future developments *(continued)*

The directors believe that the worldwide economic and geopolitical events will continue to affect the group hotels trading conditions, but that the hotels are well placed to either address those risks or leverage the opportunities accordingly.

Political donations

The Company made no political contributions during the year *(2017: £Nil).*

Going Concern

The Company's business activities, together with the factors likely to affect its future development, is described in the Strategic Report on page 2.

The group headed by the company's intermediate parent company, Constellation Hotels Holding Ltd S.C.A ('the Group'), has considerable financial resources. As a consequence, the directors believe that the Group is well placed to manage its business risks successfully.

After making enquiries, and taking into account the support also assured by Constellation Hotels Holding Ltd S.C.A, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Disclosure of information to auditors

The directors who were members of the Board at the time of approving the directors' report are listed on page 3. Having made enquiries of fellow directors and of the Company's auditors, each of these directors confirms that:

- to the best of each director's knowledge and belief, there is no information (that is, information needed by the Company's auditors in connection with preparing their report) of which the Company's auditors are unaware; and
- each director has taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the company's auditors are aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be re-appointed and Ernst & Young LLP will therefore continue in office.

Approved by the Board of Directors ('the Board') and signed on behalf of the Board

Liam Cunningham
Director

28 June 2019

The Connaught Hotel Limited

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic report, 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice) including FRS 101 *Reduced Disclosure Framework*.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

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 enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

On behalf of the Board

28 June 2019

Liam Cunningham
Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CONNAUGHT HOTEL LIMITED

Opinion

We have audited the financial statements of The Connaught Hotel Limited for the year ended 31 December 2018 which comprise the Statement of Comprehensive Income, the Balance sheet, the Statement of Changes in Equity and the related notes 1 to 21, 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 FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 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 opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. 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.

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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Other information *(continued)*

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 the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

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

- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 5, 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.

Independent auditor's report to the members of The Connaught Hotel Limited
(continued)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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.

Ernst & Young LLP

Rebecca Turner (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
1 More London Place
London
SE1 2AF

28th June 2019

The Connaught Hotel Limited
Registered number: 3669273

Statement of comprehensive income
for the year ended 31 December 2018

	Note	**2018 £'000**	2017 £'000
Turnover	*3*	**52,630**	47,041
Cost of sales		**(18,301)**	(16,328)
Gross profit		**34,329**	30,713
Administrative expenses		**(22,600)**	(20,521)
Operating Profit	*5*	**11,729**	10,192
Finance costs	*6*	**(6,249)**	(308)
Profit before tax		**5,480**	9,884
Tax charge for the year	*7*	**(743)**	(2,010)
Profit for the financial year		**4,737**	7,874

The company had no other comprehensive income in the financial year or in the preceding financial year other than those dealt with in the profit and loss account. All activities in the current and preceding periods are derived from continuing operations.

The Connaught Hotel Limited
Registered number: 3669273

Balance sheet
as at 31 December 2018

	Note	2018 £'000	2017 £'000
Fixed assets			
Tangible assets	8	**155,227**	151,736
Investments	9	**166**	166
		155,393	151,902
Current assets			
Stocks	10	**2,980**	1,800
Debtors	11	**21,618**	21,106
Cash at bank and in hand		**2,365**	1,926
		26,963	24,832
Current liabilities			
Trade and other payables	12	**(10,190)**	(8,553)
Loans and borrowings	13	**(3,242)**	(2,550)
Net current assets		**13,531**	13,729
Total assets less current liabilities		**168,924**	165,631
Non current liabilities			
Loans and borrowings	13	**(150,150)**	(152,407)
Deferred taxation	14	**(6,013)**	(5,200)
Net assets		**12,761**	8,024
Capital and reserves			
Called up share capital	15	**150**	150
Share premium account		**-**	-
Profit and loss account		**12,611**	7,874
Shareholders' funds		**12,761**	8,024

These financial statements were approved by the Board of Directors on 28 June 2019.

Signed on behalf of the Board of Directors

Liam Cunningham
Director

28 June 2019

The Connaught Hotel Limited

Statement of changes in equity
for the year ended 31 December 2018

	Share capital £'000	Share premium £'000	Retained earnings £'000	Total £'000
At 1 January 2017	150	70,846	77,841	148,837
Profit for the financial year	-	-	7,874	7,874
Reduction of capital	-	(70,846)	70,846	-
Distribution from reserves	-	-	(148,687)	(148,687)
Other comprehensive income	-	-	-	-
At 31 December 2017	**150**	-	**7,874**	**8,024**
Profit for the financial year	-	-	4,737	4,737
Other comprehensive income	-	-	-	-
At 31 December 2018	**150**	-	**12,611**	**12,761**

The accompanying notes form an integral part of the financial statements.

The Share premium reserve related to the excess paid by the shareholders to the Company above the nominal value of share capital. The share premium was reduced and the Company paid a dividend to its intermediate parent company MHG Senior Borrower Limited in the prior year.

The reserve for Retained earnings relates accumulated profits/(losses) of the Company less any distributions to shareholders.

Dividends paid

	2018 £'000	2017 £'000
Declared and paid during the year		
Final dividend for 2018: £Nil (2017: 148.69p)	-	148,687

Notes

to the financial statements

1 Statement of compliance

The Connaught Hotel Limited is a company incorporated and domiciled in the England and Wales. The company's registered office is 41-43 Brook Street, Mayfair, London, W1K 4HJ.

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101").

These financial statements are presented in sterling, being the functional currency of the company. All financial information presented in sterling has been rounded to the nearest thousand, except where otherwise stated.

2 Significant accounting policies

Basis of preparation

In preparing these financial statements, the company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the European Uunion ("EU IFRS"), but makes amendments where necessary in order to comply with the Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

In these financial statements, the company has adopted certain disclosure exemptions available under FRS 101. These include:

- the requirements of paragraphs 45(b) and 46 to 52 of IFRS 2 Share-based Payment;
- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements ofparagraphs 91 to 99 of IFRS 13 Fair Value Measurement;
- the requirements ofthe second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c),120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers;
- the requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of:
  - paragraph 73(e) of IAS 16 Property, Plant and Equipment; and
  - paragraph 118(e) of IAS 38 Intangible Assets;
- the requirements of paragraphs 10(d), l6 and 1 11 of IAS 1 Presentation of Financial Statements;
- the requirements of paragraphs 134 to 136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraphs 17 of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group;
- the requirements of paragraphs 130(f), 134(d to f) and 135(c to e) of IAS 36 Impairments of Assets.

2 Significant accounting policies *(continued)*

Basis of preparation *(continued)*

The Company has taken advantage of the exemption under s400 of the Companies Act 2006 not to prepare group accounts as it is a wholly owned subsidiary of Selene Midco Limited. The results of the Company are included in the publicly available consolidated financial statements of Selene Midco Limited.

As the consolidated financial statements of The Selene Midco Limited include the equivalent disclosures, the company has also taken the exemption under FRS 101 available in respect of the following:

- Certain disclosures required by IFRS 13 *Fair Value Measurement* and the disclosures required by IFRS 7 *Financial Instrument Disclosures*; and
- Certain disclosures required by IAS 36 *Impairment of Assets.*

Basis of measurement

The financial statements have been prepared on the historical cost basis.

Foreign currency

Transactions in foreign currencies are translated to the functional currency of the company at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated to the functional currency at the exchange rate when the fair value was determined. Foreign currency differences are generally recognised in profit or loss. Non-monetary items that are measured based on historical cost in a foreign currency are not translated.

Use of estimates and judgements

In preparing these financial statements management has made judgements, estimates and assumptions that affect application of the company accounting policies and the reported amounts of assets, liabilities, income and expenses. Such estimates and judgements are based on historical experience and other factors, including expectation of future events that are believed to be reasonable. Actual outcomes may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively. The key accounting judgements and sources of estimation uncertainy affecting these financial statements are:

- Carrying value of tangible fixed assets and specifically the estimation of the useful economic lives of property, plant and equipment
- Taxation - Management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies. Further details are contained in the note "Taxation".

2 Significant accounting policies *(continued)*

Use of estimates and judgements *(continued)*

Estimates to underlying assumptions are reviewed on an on going basis. Revisions to estimates are recognised prospectively.

Going Concern

The Company's business activities, together with the factors likely to affect its future development, is described in the Strategic Report on page 2.

The group headed by the company's intermediate parent company, Constellation Hotels Holding Ltd S.C.A ('the Group'), has considerable financial resources. As a consequence, the directors believe that the Group is well placed to manage its business risks successfully.

After making enquiries, and taking into account the support also assured by Constellation Hotels Holding Ltd S.C.A , the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Revenue recogntion

Revenue represents sales (excluding VAT and similar taxes) of goods and services net of trade discounts provided in the normal course of business.

Revenue is derived from hotel operations and includes the rental of rooms, food and beverage sales, and other revenue. Room and Food and Beverage revenue is recognised when the control over good/or services is transferred to the customer, rooms are occupied and food and beverages are sold.

Taxation

The income tax expense comprises current and deferred tax. It is recognised in the income statement except to the extent that it relates to items recognised in OCI or directly in equity, in which case it is recognised in OCI or directly in equity.

Current tax is the expected tax payable on the taxable income for the year using tax rates and laws that have been enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: those differences arising from the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that the Group is able to control the timing of reversal and it is probable that they will not reverse in the foreseeable future.

A deferred tax asset is recognised to the extent that it is probable future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

The Connaught Hotel Limited

Notes *(continued)*

2 Significant accounting policies *(continued)*

Taxation *(continued)*

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Provisions

A provision is recognised in the balance sheet when the company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

Operating lease payments

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised in the profit or loss as an integral part of the total lease expense.

Pension

Defined contribution plans
Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Defined benefit plan
The Company is a participating employer in group defined benefit scheme operated by providing benefits based on final pensionable salary. The assets of the scheme are held separately from those of the Company. The company is unable to identify its share of the underlying assets and liabilities of the schemes on a consistent and reasonable basis and therefore, as required by (IAS19 'Employee benefits'), accounts for the schemes as if they were defined contribution schemes. As a result the amount charged to profit or loss account represents the contributions payable to the schemes in respect of the accounting year.

Stocks
Stocks of finished goods are measured at the lower of cost and net realisable value.

2 Significant accounting policies *(continued)*

Financial instruments
A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial assets

Initial recognition and measurement
Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through the statement of profit or loss and other comprehensive income. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the company has applied the practical expedient, the company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through the statement of profit or loss and other comprehensive income, transaction costs.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in the statement of profit or loss and other comprehensive income when the asset is derecognised, modified or impaired.

Subsequent measurement
The company measures financial assets at amortised cost if both of the following conditions are met:
- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in the statement of profit or loss and other comprehensive income when the asset is derecognised, modified or impaired.

Derecognition
A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is primarily derecognised (i.e., removed from the company's statement of financial position) when:
- The rights to receive cash flows from the asset have expired, or
- The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

2 Significant accounting policies *(continued)*

Financial instruments *(continued)*

(i) **Financial assets** *(continued)*

Derecognition (continued)
Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

Impairment of financial assets
The company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through the statement of profit or loss and other comprehensive income. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the company expects to receive, discounted at an approximation of the original effective interest rate. For trade receivables and some intercompany loans, the company applies a simplified approach in calculating ECLs. Therefore, the company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

The company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the company may also consider a financial asset to be in default when internal or external information indicates that the company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

(ii) Financial liabilities

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through the statement of profit or loss and other comprehensive income, loans and borrowings, or payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement – loans and borrowings
After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit or loss and other comprehensive income when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss and other comprehensive income.

Derecognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss and other comprehensive income.

2 Significant accounting policies *(continued)*

Financial instruments *(continued)*

(iii) Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.
Ordinary dividends are recognised in the period in which they are paid to shareholders.

Tangible fixed assets

Recognition and measurement
Items of tangible fixed assets are measured at cost less accumulated depreciation and impairment.

If significant parts of an item of tangible fixed assets have different useful lives, then they are accounted for as separate items (major components) of tangible fixed assets.

Any gain or loss on disposal of an item of tangible fixed assets is recognised in profit or loss.

Depreciation

Depreciation has not been charged on the leasehold properties held by the Company as the residual values of those properties exceeds the carrying values.

As a result, on an annual basis the Company estimates the recoverable amount of its hotel properties based on the higher of their net realisable values or the present values of future cash flows expected to result from their use. Where the recoverable amount is less than the carrying amount of the hotel properties the group recognises an impairment loss in the profit and loss account.

Other fixed assets are stated at cost less accumulated depreciation.

Depreciation of other tangible assets is provided on a straight-line basis over the following useful lives:

Fixtures, fittings, plant and machinery	between 2 and 20 years
Short leasehold land buildings	between 1 and 5 years
Structural improvements	25 years

Assets under the course of construction are not depreciated until brought into use.

Impairment

At each reporting date, the Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

2 Significant accounting policies *(continued)*

Impairment *(continued)*

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. An impairment loss is reversed, only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Investments

Investments in subsidiaries are held at historical cost less any applicable provision for impairment.

New and amended standards adopted by the Company:

For the period beginning on 1 January 2018 the Company has adopted IFRS 9 Financial Instruments and IFRS 15 Revenue from Contracts with Customers for the first time. The adoption of these new standards and other amendments to existing standards and interpretations effective from 1 January 2018, did not materially impact the financial statements for the 12 months ended 31 December 2018 and no retrospective adjustments were made.

IFRS 15 "Revenue from Contracts with Customers"
IFRS 15 replaced the existing regulations for the recognition of revenue in accordance with IAS 18 "Revenue". Consequently, revenues are recognised, when the customer obtains control over the agreed goods and services and can derive benefits from these. There were no material changes identified from adoption of the standard.

IFRS 9 "Financial Instruments"
IFRS 9 provides a standardised approach for classification, measurement and derecognition of financial assets and liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. There were no material changes identified from adoption of the standard.

As part of the review of the impact of adopting the amendments to IFRS the company has taken the opportunity to revisit its disclosure in the financial statements, and has enhanced disclosure in relation to the revenue streams in note 3.

2 Significant accounting policies *(continued)*

Standards issued but not yet effective

The standards and interpretations that are issued, but not yet effective, up to the date of the issuance of the financial statements and that may impact the financial statements are disclosed below. There are no other standards in issue but not yet effective that are expected to have an impact on the financial statements.

		Effective for periods commencing on or after
IFRS 16	Leases	1 January 2019

The Company plans to adopt IFRS 16 using a modified retrospective approach. Under a modified retrospective approach, a company applies the new standard from the beginning of the period this IFRS applies to. Using the modified retrospective approach the Company will not restate comparative information. Instead, the lessee recognises the cumulative effect of initially applying the new standard as an adjustment to equity (if applicable) at the date of initial application.

The Company will elect to use the exemptions proposed by the standard on lease contracts for which the lease terms ends within 12 months as of the date of initial application, and lease contracts for which the underlying asset is of low value.

The estimated impact of adopting IFRS 16 on the balance sheet of the Group as at 1 January 2019 is shown below:

	£'000
Assets	
Property, plant and equipment (Right of use assets)	168
Liabilities	
Lease Liabilities	(168)
Net Impact on Equity	-

3 Revenue

	2018 **£'000**	2017 £'000
Rooms	**31,229**	28,043
Food and Beverage	**18,625**	16,104
Other	**2,776**	2,894
	52,630	47,041

Notes *(continued)*

4 Staff numbers and costs

The average number of persons employed by the company (including directors) during the year, analysed by category, was as follows:

	2018	2017
	No.	No.
Hotel and administration	**503**	442

The aggregate payroll costs of these persons were as follow:

	2018	2017
	£'000	£'000
Wages and salaries	**12,132**	10,847
Social security costs	**875**	839
Other pension costs	**331**	248
	13,338	11,934

One of directors is remunerated by third party management company Hume Street Management Consultants Limited which charged fees of £5,000,000 (2017: £5,000,000) to Maybourne Hotels Limited, a related group undertaking. Of the amount charged by Hume Street an amount of £1,824,000 related to services provided to Claridge's Hotel, and an amount of £3,176,000 related to Selene Midco Group for services provided to the Berkerley and Connaught hotels (sister hotels of Claridge's up until the group reorganisation which took place on 12 December 2017). The Connaught incurred in total £1,600,000 of that fee, which is included in the financial statements of the Company.

One of the directors is remunerated by third party management company Al Mirqab Holding Co. which is paid €2,000,000 (2017: €2,000,000) by Constellation Hotel Holdings Ltd S.C.A. an intermediate parent holding company registered in Luxembourg. The directors do not believe that it is practicable to apportion these amounts between their services as directors of the company and their services as directors of the holding and fellow subsidiary companies.

5 Statutory information

	2018	2017
	£'000	£'000
Operating profit is stated after charging:		
Operating leases – minimum lease payments	**36**	33
Depreciation – owned assets	**2,758**	1,963
Loss on disposal	**119**	170
Cost of stocks recognised as an expense	**4,762**	4,415

Auditor's remuneration	**2018**	2017
	£'000	£'000
Audit of these financial statements	**35**	35
Amounts receivable by the auditors and their associates in respect of:		
Other services relating to taxation	**18**	18

6 Finance costs

	2018	2017
	£'000	£'000
External bank loans	**6,227**	308
Amortisation of loan issue expenses	**22**	-
Finance costs	**6,249**	308

On 12 December 2017 the Company entered into a new £154,787,000 Master Murabaha Agreement with final maturity of 31 October 2022. Arrangement fees incurred in relation to this new facility of £102,000 have been capitalised and in line with the group's accounting policies are amortised over the period of the loan using the effective interest method. £22,000 was amortised in the year ended 31 December 2018.

7 Income taxes

	2018	2017
	£'000	£'000
(a) Amounts recognised in profit or loss		
Current tax		
UK corporation tax (credit)/charge	**(70)**	508
Adjustment in respect of prior years	-	-
Total current tax credit	**(70)**	508
Deferred tax		
Origination and reversal of temporary differences	**1,346**	980
Adjustments in respect of prior periods	**(499)**	636
Impact of change in tax rates	**(34)**	(114)
Total deferred tax charge	**813**	1,502
Tax charge in the income statement	**743**	2,010

The Connaught Hotel Limited

Notes *(continued)*

7 Income taxes *(continued)*

Reconciliation of tax charge/(credit)	**31 December 2018 £'000**	31 December 2017 £'000
Profit on ordinary activities before tax	**5,480**	9,884
Profit on ordinary activities before tax at the standard Corporation tax rate in UK of 19.00% (2017: 19.25%)	**1,041**	1,902
Group relief received not paid for	**-**	(520)
Transfer pricing adjustments	**112**	118
Expenses not deductible for tax purposes	**10**	161
Adjustments to tax charge in respect of previous periods	**(499)**	636
Effects of latent capital gains	**116**	(173)
Amounts not recognised	**(3))**	-
Impact of change in tax rates	**(34)**	(114)
Total tax charge/(credit)	**743**	2,010

Factors which may affect future tax charges

Reductions in the UK corporation tax rate to 19% (effective from 1 April 2017) and to 17% (effective 1 April 2020) were substantively enacted on 26 October 2015 and 6 September 2016 respectively. This will reduce the company's future tax charge accordingly.

The Connaught Hotel Limited

Notes *(continued)*

8 **Tangible fixed assets**	**Long leasehold land and buildings £'000**	**Short leasehold land and buildings £'000**	**Structural improvements £'000**	**Assets under the course of construction £'000**	**Fixtures, fittings, plant and machinery £'000**	**Total £'000**
Cost						
At 31 December 2017	132,167	591	364	2,679	32,643	168,444
Additions	-	-	-	6,368	-	6,368
Reclassification	-	-	1,505	(7,193)	5,688	-
Disposals	(99)	-	-	-	(94)	(193)
At 31 December 2018	**132,068**	**591**	**1,869**	**1,854**	**38,237**	**174,619**
Accumulated depreciation						
At 31 December 2017	-	591	6	-	16,111	16,708
Charge for the year	-	-	64	-	2,694	2,758
Disposals	-	-	-	-	(74)	(74)
At 31 December 2018	**-**	**591**	**70**	**-**	**18,731**	**19,392**
Net book value						
At 31 December 2018	**132,068**	**-**	**1,799**	**1,854**	**19,506**	**155,227**
At 31 December 2017	132,167	-	358	2,679	16,532	151,736

8 Tangible fixed assets *(continued)*

Qatar Islamic Bank Q.S.C holds a first fixed charge over all property, buildings, fixtures, fittings and fixed plant and machinery at the The Connaught Hotel and a floating charge over all of the Company's assets in respect of the amounts owed by the Company at the period end of £152.5 million (2017: £154.8 million).

In accordance with the Company's accounting policies, the directors undertake an annual review of the carrying value of all other property, plant and equipment to determine whether there is any indication of impairment. An impairment test was performed at 31 December 2018 by comparing the carrying amount of these assets to their recoverable amounts.

The recoverable amount is determined as the higher of value in use and fair value less costs of disposal. In determining an asset's recoverable amount the directors are required to make judgements, estimates and assumptions that impact on the carrying value of the properties. The estimates and assumptions used are based on historical experience and other factors that are believed to be reasonable based on information available. At 31 December 2018, the fair value, and hence the recoverable amount were deemed to be significantly higher than the carrying amount. The directors conclude that the carrying value of property, plant and equipment is not impaired at 31 December 2018.

The estimated fair values of the long lease and freehold land and buildings would increase (decrease) if:

- the discount rate was (higher) lower;
- the trading performance of the hotels improved (declined); or
- market yields (increased) decreased.

Notes *(continued)*

9 Investments

	2018	2017
Investments in subsidiary undertakings	**£'000**	£'000
At cost and net book value		
At beginning and end of year	**166**	166

Details of subsidiary undertakings at 31 December 2018 are as follows:

Subsidiary undertaking	Country of incorporation	Activity	Shareholding
Connaught F&B Limited	Great Britain	Dormant company	100%
The Connaught Hotel (52242) Limited	Great Britain	Dormant company	100%
Mount Street Mansions Limited	Great Britain	Dormant company	100% (indirect)

The registered address for each subsidiary is the same as that of the Company.

10 Stocks

	2018	2017
	£'000	£'000
Raw materials and consumables	**2,980**	1,800

The replacement cost of stocks did not differ significantly from the amounts shown above.

11 Debtors

	2018	2017
	£'000	£'000
Trade debtors	**3,195**	2,630
Amounts owed by group undertakings	**17,655**	17,708
Amounts owed from related party	**80**	24
Prepayments and accrued income	**657**	713
Other debtors	**31**	31
	21,618	21,106

All amounts fall due within one year.

Notes *(continued)*

12 Trade and other payables

	2018	2017
	£'000	£'000
Trade creditors	**1,929**	2,444
Amounts owed to group undertakings	**79**	579
Amount owed to subsidiary undertakings	**165**	165
Amounts owed to related party	**144**	35
Other taxes and social security	**3,265**	2,754
Other creditors	**400**	392
Accruals and deferred income	**4,208**	2,184
	10,190	8,553

13 Loans and borrowings

	2018	2017
	£'000	£'000
Non current liabilities		
Secured bank loans	**150,150**	152,407

	£'000	£'000
Current liabilities		
Secured bank loans	**2,279**	2,279
Accrued interest	**963**	271
	3,242	2,550

On 12 December 2017 the company entered into an agreement of a new facility of £154.8million. The new facility is repayable in October 2022, with £2.3million due annually until October 2022. The security package for the bank loans comprises cross company guarantees supported by debentures giving a fixed and floating charge over all the assets of the group.

Offset against bank loans are loan arrangement fees of £102,000, which, in line with the Group's accounting policies, are amortised over the period of the loan using the effective interest method. £22,000 was amortised in the current period.

14 Deferred tax assets and liabilities

Recognised deferred tax assets and liabilities

	2018 £'000	2017 £'000
At 1 January	**5,200**	3,698
Charged/(credited) to profit and loss	**813**	1,502
Net deferred tax liability as at 31 December	**6,013**	5,200

Deferred tax assets and liabilities are attributable to the following:

	Assets 2018 £'000	Assets 2017 £'000	Liabilities 2018 £'000	Liabilities 2017 £'000	Net 2018 £'000	Net 2017 £'000
Depreciation in advance of capital allowances	-	-	**1,954**	1,244	**1,954**	1,244
Capital gains on properties	-	-	**4,356**	4,252	**4,356**	4,252
Tax value of losses carried forward	**(294)**	(294)	-	-	**(294)**	(294)
Other temporary differences	**(3)**	(2)	-	-	**(3)**	(2)
Net deferred tax (assets)/liabilities	**(297)**	(296)	**6,310**	5,496	**6,013**	5,200

Notes *(continued)*

15 Called up share capital

	2018	2017
	£'000	£'000
Authorised, issued, called up, allotted and fully paid		
1,000,000 "A" ordinary shares of £0.1 each	**100**	100
500,000 "B" ordinary shares of £0.1 each	**50**	50
	150	150

Shares rank equally, except for a dividend and return on capital, where the distribution rights of the "A" shares are 10,000 times those of "B" shares.

16 Capital commitments

	2018	2017
	£'000	£'000
Capital commitments (land and buildings):		
Contracted but not provided for in the accounts	**209**	1,648

17 Operating leases

Non-cancellable property operating lease rentals are payable as follows:

	2018	2017
	£'000	£'000
Less than one year	**37**	33
Between one and five years	**38**	51
More than five years	**452**	458
	527	542

During the year £36,000 was recognised as an expense in the profit and loss account in respect of operating leases *(2017: £33,000).*

18 Pensions and similar obligations

The Connaught Hotel Limited is a participating employer in two pension schemes:

- The Maybourne Hotels Group Pension and Life Insurance Scheme, a defined benefit scheme, which has two sections – the Staff and Senior Staff sections, was closed to new entrants with effect from 1 August 2006.
- The Maybourne Stakeholder Scheme, a defined contribution scheme, was introduced on 1 August 2006 and is open to all staff if they meet the eligibility criteria. Pensions for 10 employees *(2017: 9 employees)* are funded through this scheme. The defined contribution pension cost for the year amounted to £46,559 *(2017: £38,929)*. To comply with the law, the company auto-enrolled all employees who are not members of any pension scheme from 1 April 2014 – autoenrolment stakeholder pension scheme. 360 employees were auto-enrolled in 2018 *(2017: 357 employees)* with a cost for the year of £218,030 *(2017: £132,611)*. The company actively encourages staff to join the scheme as it believes that it is an important element of the remuneration package.

On 12 December 2017 Maybourne Hotels Limited, The Berkeley Hotel Limited, The Connaught Hotel Limited ("the Selene Employers") were transferred and ceased to be wholly owned subsidiaries of the same ultimate parent of Claridge's Hotel Limited ("the Transaction"). Up until the date of the transaction the Selene Employers were participating employers in the The Maybourne Hotels Group Pension and Life Insurance Scheme ("the Scheme") in respect of some of their employees. Claridge's Hotel Limited was the principal employer under the Scheme rules.

As a consequence of the Selene Employers not having a common ultimate parent with Claridge's Hotel Limited following the Transaction, the continued participation in the Scheme by the Selene employers required the agreement with the Trustees of the Scheme ("the Trustees") and Claridge's Hotel Limited. Interim agreement through a Memorandum of Understanding ("MOU") was reached on 11 December 2018 between the employers (including the Selene employers) and the Trustees that they will use reasonable endeavours to ensure that the actuarial valuation of the Scheme as at 31 March 2018 will be completed by 30 June 2019 and they will use all reasonable endeavours to ensure that a long term funding and investment strategy will be agreed by 30 June 2019. The MOU also documented that if the matters referenced above were agreed and documented to the satisfaction of the Trustees by 30 June 2019 the Trustees and Employer will take such steps as are necessary to allow the Selene or "Relevant" Employers (Maybourne Hotels Limited, The Berkerley Hotel Limited and The Connaught Hotel Limited) to continue to participate in the Scheme after 30 June 2019, such that no debt becomes due under section 75 of the Pensions Act 1995 on or before 30 June 2019 by reason of an actual or deemed employment-cessation event.

On 27 June 2019 the Employers including the Relevant Employers confirmed to the Trustees their acceptance of the 31 March 2018 valuation and confirmed their agreement to the proposals documented in the Trustees letter to the company dated 17 June 2019 confirming the continued participation in the scheme by the Relevant Employers should agreement be reached. The *directors therefore consider agreement to have been reached* with effect from 27 June 2019 and that section 75 liabilities will not be crystallised on the basis of this agreement including the Trustees agreement for continued participation in the scheme of the Relevant employers. The Relevant employers will continue discussion with the Trustees to decide the investment strategy and the long term future of the scheme.

It was agreed that obligations in respect of the Scheme would be allocated between Coroin Limited and Claridge's Limited ("the Coroin Employers") on the one hand and the Selene Employers on the other hand in the ratio 49.5% to 50.5%. It was also agreed that future service contributions would be

Notes *(continued)*

18 Pensions and similar obligations *(continued)*

payable by each of the Employers as a percentage of the pensionable salaries of their respective employees who are members of the Scheme.

Management intend for the Scheme to be operated in this fashion with additional payment obligations above future service contributions being met initially by Coroin Limited on behalf of the Coroin Employers and by The Berkeley Hotel Limited on behalf of the Selene Employers. Accordingly, Coroin Limited recognises 49.5% of the Scheme net pension obligation in its balance sheet and 50.5% of the Scheme net pension obligation (along with the associated deferred tax) was transferred through equity to the balance sheet of The Berkeley Hotel Limited, the Company's sister company and the principal employer for the Selene employers.

The defined benefit liability for the Selene employers is disclosed fully in the accounts of The Berkeley Hotel Limited. In prior years it was fully disclosed in the consolidated accounts of Coroin Limited.

The directors are unable to identify the Company's share of the scheme assets and liabilities as;

- Most scheme members have worked for more than one company within the Group. The Group structure has also changed materially over time due to restructurings, acquisitions and disposals. It is therefore not appropriate to allocate assets and liabilities between the participating companies.
- For funding purposes, the employers within the group share actuarial risks. The determination of cash contributions does not separately identify assets and liabilities for individual participating companies and all employers pay the same contribution rate in respect of accruing benefits. Contributions in respect of the past service deficit are paid separately by another group company.

As a result it is accounted for as a defined contribution scheme. The scheme is currently in deficit and the overall Group contributions have been capped at £345,906 a month (2017: £332,282 a month). At 31 December 2018 this deficit, calculated in accordance with IAS 19, amounted to £1.46 million (31 December 2017: deficit of £4.2 million), split between Coroin Limited £0.72 million and The Berkeley Hotel Limited £0.74 million. Full details of the scheme are disclosed in the accounts of Coroin Limited and The Berkeley Hotel Limited.

19 Related party disclosures

The company is exempt under the provisions of IAS 24 *Related Party Disclosures* from disclosing related party transactions entered into between two or more 100% owned members of a group.

At 31 December 2018, an amount of £47,000 remains due from Hume Street Management Consultants Limited, the Company's management company in relation to services rendered to them during the year. This is a related party by way of common directors.

At 31 December 2018, an amount of £34,000 remains due form Claridge's Hotel Limited, the company that until 12 December 2017 formed part of the same group. The company also owes Claridge's Hotel Limited an amount of £74,000 for services received at 31 December 2018. This is a related party by way of common directors.

At 31 December 2018, the Company owes an amount of £70,000 to Coroin Limited, its previous indirect parent company for services received in the period.

19 Related party disclosures *(continued)*

Trading balances outstanding at 31 December 2018 are as follows:

Related party Asset/(liability)	Opening balance 31/12/2017 £'000	Sales £'000	Payments £'000	Closing balance 31/12/2018 £'000
Hume Street Management Consultants	**24**	71	(48)	**47**
Claridge's Hotel Limited	**(35)**	(40)	35	**(40)**
Coroin Limited	**-**	(70)	-	**(70)**

20 Ultimate parent company

The company's ultimate parent company and controlling party is Prime Captial S.A., a company incorporated in Luxembourg. This is the largest group in which the results of the Company are consolidated.

The ultimate controlling party is His Excellency Sheikh Hamad Bin Jassim Bin Jaber Al Thani.

Selene Midco Limited, a company incorporated in Great Britain and registered in England and Wales is the smallest group in which the results of the Company are consolidated. Copies of those statutory accounts will be available from its registered office, 41 - 43 Brook Street, Mayfair, London, W1K 4HJ.

21 Subsequent events

There were no events subsequent to the balance sheet date that require adjustment to or disclosure in the financial statements.