

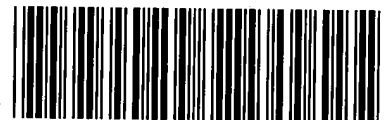
Registration number: 07469777

# Imperial London Hotels Group Limited

Annual Report and Consolidated Financial Statements

for the Year Ended 30 April 2021

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# **Imperial London Hotels Group Limited**

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# Imperial London Hotels Group Limited

## Company Information

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**Directors**

S H Walduck  
A H Walduck  
J A Walduck  
K T Waller  
C S Walton

**Registered office**

Imperial Hotel  
61/66 Russell Square  
London  
WC1B 5BB

**Auditors**

Dixon Wilson Audit Services LLP  
22 Chancery Lane  
London  
WC2A 1LS

## Imperial London Hotels Group Limited

### Strategic Report for the Year Ended 30 April 2021

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The directors present their strategic report for the year ended 30 April 2021.

#### Principal activity

The principal activity of the group is that of management and operation of hotels in Bloomsbury, Central London.

#### Review of the business

As for all companies operating in the London hotel market, the year to 30 April 2021 was a period of unprecedented uncertainty because of the challenges presented by Covid-19. The three national lockdowns and restrictions on travel impacted the group's occupancy and revenue in the period.

The priority for the group in the year has been to conserve cash, protect the hotels and keep employees safe and healthy.

As a result, the group temporarily closed all of its hotels, reduced costs, raised liquidity and operated the remaining hotels at reduced capacity whilst protecting the staff that continued to work in the business.

The group disposed non-core assets during the year. At the time of writing the asset disposal programme is complete. Regrettably the group also had to make redundancies during the year.

Against this background the group reported satisfactory results, remains solvent and sufficiently well capitalised to see it through to profitability as guests return to the capital.

#### Operating performance

The performance of the group's main divisions in the year reflect the disruption to UK travel and tourism and was as follows:

	Hotels	Property trading and investment	Other	Total 2021	Hotels	Property trading and investment	Other	Total 2020
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
(Loss)/profit after tax before disposals and revaluations	(25,087)	1,457	473	(23,157)	10,875	3,359	415	14,649
Profit after tax on disposal of fixed assets	11,015	-	-	11,015	28	8,737	-	8,765
Undistributable profit after tax on revaluations	-	(3,795)	-	(3,795)	-	10,597	-	10,597
(Loss)/profit after tax for the financial year	(14,072)	(2,338)	473	(15,937)	10,903	22,693	415	34,011

Re-measurement gains on pension scheme assets and liabilities of £3.6m (2020 - £2.8m) were recognised in other comprehensive income. The movement arose from changes in actuarial assumptions.

The group made a profit on disposal before tax of non-core properties in the year of £12.1m. Recently the group has accelerated refurbishment and improvement programmes in anticipation of the re-opening of the hotels, spending £8.1m (2020 - £14.2m) so that the group is able to offer its guests and visitors excellent value for money when tourists return to London. The retained earnings of the group at 30 April 2021 were £285,036,879 (2020 - £298,078,523).

## Imperial London Hotels Group Limited

### Strategic Report for the Year Ended 30 April 2021

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#### Future developments

The directors remain confident that the group has the resources available to emerge strongly positioned as tourism returns to London. Since the year end the group engaged in initiatives to encourage visitors to the hotels and to return the group to profitability.

As a result, the group has seen an improvement in revenue and the directors anticipate improved results in the year ended 30 April 2022.

#### Key Performance Indicators

The group uses a range of performance measures to monitor and manage the business effectively. These are both financial and non-financial and the most significant of these are the following.

	2021	2020
	£'000	£'000
Turnover	13,163	74,984
Gross profit	(13,741)	23,884
	2021	2020
	%	%
Change in revenue per available room (RevPAR)	-98.58	-3.642

#### Principal risks and uncertainties

The principal risks faced by the group relate to the level of tourism in London, and from competition from other hotels and Airbnb.

The principal financial risks arising from the group's activities and the group's policies to address these risks are set out below:

##### Liquidity risk

The group seeks to manage financial risks by ensuring sufficient liquidity is available to meet foreseeable needs and invest cash assets safely and profitably in line with the detailed cash flow forecasts produced by the finance team. The group seeks to maintain cash deposits at a level which ensures it can meet its anticipated funding requirements for the foreseeable future.

##### Credit risk

Credit risk is the financial exposure generated by the potential default of third parties in fulfilling their obligations. Credit risk arises for the group if it is unable to recover sums due from customers and it is mitigated by setting maximum levels of credit tolerance for more significant customers. All customers who wish to trade on credit terms are subject to credit verification procedures, receivables are monitored on an on-going basis and provision is made for doubtful debts where necessary. Overall for the group this risk is modest as trade receivables are a very small proportion of net assets.

##### Interest rate risk

The group finances its operations primarily through the reinvestment of profits earned from its operations, and ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. The group manages borrowing to minimize its interest costs and the impact of any material adverse movement in rates.

## **Imperial London Hotels Group Limited**

### **Strategic Report for the Year Ended 30 April 2021**

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#### **Pension liability risk**

This is the risk of adverse movements in the net defined benefit pension liability due to factors outside of the group's control. Such movements are driven primarily by changes in actuarial assumptions including, amongst others, mortality rate and inflation estimates. The group mitigates the risk by engaging qualified actuarial consultants to provide advice, on the basis of which it sets appropriate terms for schemes, offered to an appropriate number of individuals. Contributions are also made on the basis of the professional advice received and benefits are curtailed where necessary, reasonable and lawful to mitigate unacceptable exposure.

#### **Covid-19 risk**

The Covid-19 viral outbreak has resulted in extensive disruption to travel and a concomitant severe impact on the global hospitality industry. The directors have been managing the impact on the group's revenue, operational and administrative costs and liquidity. The pandemic is likely to have a considerable and adverse impact on performance of the group in the short term, but performance has begun to recover post year end.

The board are continuing to monitor developments and adapting the group's forecasts as required but remain confident that the measures they have implemented and the cash available to the group will allow it to meet its obligations for the foreseeable future as they fall due.

#### **Duty to promote the success of the group (Section 172 statement)**

The success of the group depends on the dealings with the group's various stakeholders and the directors remain aware of the long term impact for stakeholders of the decisions made during the year in particular in relation to the cost control measures that were necessarily introduced.

The directors have acted in a way that they consider to be in good faith and most likely to promote the long-term success of the group for the benefit of its stakeholders. The group engages with employee representatives and with suppliers to maintain and, where possible, strengthen key relationships.

#### **Engagement with employees**

The commitment and hard work of the group's employees is and will continue to be central to the group's success and it was with a deep regret that the board implemented its redundancy programme during the year. With the principal activity of the group being the operation of hotels, good communication is the essence of an efficient and productive business. This is most notably achieved by a "hands on" style of management where directors are visible, and communications can be established directly between them and all levels of staff.

#### **Employment of disabled persons**

The group supports the employment of disabled people wherever possible in recruitment, retention of those who become disabled during their employment and through training and career development. The group complies with health and safety regulations and encourages the improvement of working conditions.

#### **Engagement with business partners and others**

The group's priority is to build mutually beneficial long lasting relationships with suppliers and business partners.

The group endeavours to work closely with quality and diverse suppliers that share its ambitions and principles including environmental and social awareness through long term relationships and partnerships based on lawful and fair practices.

Guest and customer relations are crucial to the successful running of the group's businesses in pursuit of a high level of customer satisfaction and the company seeks regular and extensive feedback.

The group has a long standing commitment to improve the environment and local community, investing, sponsoring and donating accordingly.

## Imperial London Hotels Group Limited

### Strategic Report for the Year Ended 30 April 2021

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#### Going concern

The directors have considered the financing and liquidity position of Imperial London Hotels Group Limited to determine the appropriateness of preparing the financial statements on a going concern basis.

The group continued to draw on support from the government throughout the pandemic from the Job Retention Scheme and benefited from the property tax holiday for UK hotels.

Whilst the Covid-19 pandemic had a dramatic effect on hospitality businesses during the year, demand has improved slowly after the year end and the directors anticipate this trend will continue into 2023.

In the view of the directors the steps they have taken to protect the business including the disposal of non-core assets has provided sufficient funding to the group, and the expectation of the directors remains that the group will be able to meet its liabilities as they fall due for a period of at least 12 months from the date of approval of the financial statements. The financial statements have therefore been prepared on the going concern basis.

#### Post Balance Sheet events

The country emerged from the lockdown period in July 2021 and the business was and continues to be positioned to take advantage of the opportunities that will be presented as tourism and travel returns to London whilst retaining sufficient resources and an agile overhead base to protect the group against any further weakness in demand. The directors continue to adapt as the situation alters and believe the group is well positioned to weather the current storm and continue the long-term sustainable growth of the last decade.

#### Greenhouse Gas (GHG) emissions (tCO<sub>2</sub>e) reporting and Energy Consumption (kWh)

	tCO <sub>2</sub>	kWh
<b>Scope 1</b>		
Combustion of gas	6,167	33,488,150
<b>Scope 2</b>		
Purchased electricity	1,091	3,103,117
<b>Scope 3</b>		
Business travel	-	-
<b>Total</b>	<b>7,258</b>	<b>36,591,267</b>

**Intensity ratio: 551 tCO<sub>2</sub>e per £m revenue**

In terms of the underlying data which the table is based on, there are a number of processes in place whereby monthly meter readings are taken on site covering electricity and gas, and these are reconciled with the invoices from suppliers. Both utilities usage has then been converted into tCO<sub>2</sub>e using the calculation from the [www.Gov.uk](http://www.Gov.uk) website.

## Imperial London Hotels Group Limited

### Strategic Report for the Year Ended 30 April 2021

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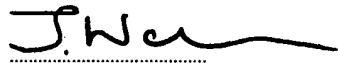
#### Energy efficiency measures

As greater focus is placed on the worldwide "green agenda" the group is taking steps to address its own impact upon the environment through its use of electricity, water, and gas.

In response the group has undertaken a number of activities.

- Energy monitoring and targeting to enable active tacking of energy conversion, use and generation;
- Improved boiler control and management;
- A continued programme of lighting replacement;
- A continued programme of fan control for kitchen extractors;
- Continued installation, inspection and maintenance of pipework, taps, occupancy sensors, automatic shutdown sockets and other electrical devices;
- Invested in solar panel technology.

Approved by the Board on 7/1/22 and signed on its behalf by:



J A Walduck  
Director



## Imperial London Hotels Group Limited

### Directors' Report for the Year Ended 30 April 2021

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The directors present their report and the consolidated financial statements for the year ended 30 April 2021.

#### Directors of the company

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

H R Walduck (until 6 January 2021)

S H Walduck

A H Walduck

J A Walduck

K T Waller

C S Walton

#### Financial Instruments

The group operates financial risk management procedures in accordance with objectives set by the board to protect the group from events that will prevent it from achieving its strategic aims. These procedures cover liquidity, interest rate, credit and liability risks specific to transactions within the businesses of the group's subsidiaries.

Further detail is provided in the Strategic Report at pages 2 - 6.

#### Matters covered in the strategic report

As permitted by paragraph 1A of schedule 7 of the Large and Medium Sized Companies and Groups (Accounts and Reports) Regulation 2008, certain matters which are required to be disclosed in the directors' report have been omitted because they are covered in the Strategic Report on pages 2 - 6:

- Principal activities of the group;
- An indicator of the future developments in the business of the group;
- The financial risk management objectives and policies of the group;
- The exposure of the group to credit risk, liquidity risk, cash flow risk and pension liability risk;
- Employee equality, diversity and involvement;
- Greenhouse Gas emissions reporting and Energy Consumption.

#### Disclosure of information to the auditor

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the group's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Approved by the Board on 7/1/22 and signed on its behalf by:



J A Walduck  
Director

## **Imperial London Hotels Group Limited**

### **Statement of Directors' Responsibilities**

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The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and the company's transactions and disclose with reasonable accuracy at any time the financial position of the group and the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Imperial London Hotels Group Limited**

### **Independent Auditor's Report to the Members of Imperial London Hotels Group Limited**

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#### **Opinion**

We have audited the financial statements of Imperial London Hotels Group Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 April 2021, which comprise the Consolidated Profit and Loss Account, Consolidated Statement of Comprehensive Income, Consolidated Balance Sheet, Balance Sheet, Consolidated Statement of Changes in Equity, Statement of Changes in Equity, Consolidated Statement of Cashflows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 30 April 2021 and of the group's loss 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. We are independent of the group 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**

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.

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.

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

#### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Imperial London Hotels Group Limited**

### **Independent Auditor's Report to the Members of Imperial London Hotels Group Limited**

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#### **Opinion on other matter 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 the 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 group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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 Statement of Directors' Responsibilities set out on page 8, 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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

#### **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.

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:

We gained an understanding of the legal and regulatory framework applicable to the company by considering, amongst other things, the industry in which it operates, and considered the risk of acts by the company and the group that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the assessed level of risk, but recognised that 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.

## **Imperial London Hotels Group Limited**

### **Independent Auditor's Report to the Members of Imperial London Hotels Group Limited**

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We focused on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, UK Company Law, UK tax legislation, and UK pensions legislation.

As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by management that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://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 parent 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 parent 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 parent company and the parent company's members as a body, for our audit work, for this report, or for the opinions we have formed.



.....  
Steven Wakefield (Senior Statutory Auditor)  
For and on behalf of Dixon Wilson Audit Services LLP, Statutory Auditor

22 Chancery Lane  
London  
WC2A 1LS

7 January 2022

Date:.....

# Imperial London Hotels Group Limited

## Consolidated Profit and Loss Account for the Year Ended 30 April 2021

	Note	2021 £	2020 £
Turnover	3	13,124,285	74,984,430
Cost of sales		<u>(26,864,907)</u>	<u>(51,100,873)</u>
Gross (loss)/profit		(13,740,622)	23,883,557
Administrative expenses		(17,869,453)	(8,899,501)
Other operating income	4	<u>21,369,921</u>	<u>15,647,928</u>
Operating (loss)/profit	5	<u>(10,240,154)</u>	<u>30,631,984</u>
Other interest receivable and similar income	6	9,472	585,219
Interest payable and similar charges	7	(3,458,935)	(2,589,016)
(Loss)/gain from revaluation of investment property	13	(7,957,656)	15,934,245
Amounts written off fixed asset investments	14	<u>(799,734)</u>	<u>-</u>
		(12,206,853)	13,930,448
Share of profit of equity accounted investees	14	<u>-</u>	<u>42,233</u>
(Loss)/profit before tax		(22,447,007)	44,604,665
Taxation	11	<u>6,509,613</u>	<u>(10,593,360)</u>
(Loss)/profit for the financial year		<u>(15,937,394)</u>	<u>34,011,305</u>

## Imperial London Hotels Group Limited

### Consolidated Statement of Comprehensive Income for the Year Ended 30 April 2021

	Note	2021 £	2020 £
(Loss)/profit for the year		<u>(15,937,394)</u>	<u>34,011,305</u>
Remeasurement gain on defined benefit pension schemes	21	3,575,000	2,776,000
Deferred tax on remeasurement gain on defined benefit pension schemes		<u>(679,250)</u>	<u>(527,440)</u>
		<u>2,895,750</u>	<u>2,248,560</u>
Total comprehensive income for the year		<u>(13,041,644)</u>	<u>36,259,865</u>

# Imperial London Hotels Group Limited

(Registration number: 07469777)

## Consolidated Balance Sheet as at 30 April 2021

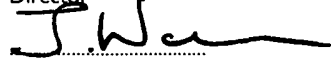
	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	12	221,246,718	226,050,561
Investment property	13	130,746,430	138,251,430
Investments	14	600,045	1,399,779
		<u>352,593,193</u>	<u>365,701,770</u>
<b>Current assets</b>			
Stocks	15	26,424,964	24,312,200
Debtors	16	9,754,183	9,857,986
Cash at bank and in hand	17	36,008,386	53,161,454
		<u>72,187,533</u>	<u>87,331,640</u>
Creditors: Amounts falling due within one year	18	<u>(16,920,750)</u>	<u>(16,798,433)</u>
Net current assets		<u>55,266,783</u>	<u>70,533,207</u>
Total assets less current liabilities		407,859,976	436,234,977
Creditors: Amounts falling due after more than one year	18	(100,750,000)	(109,750,000)
Provisions for liabilities	20	<u>(11,748,097)</u>	<u>(15,183,454)</u>
Net assets excluding pension liability		295,361,879	311,301,523
Defined benefit pension liability	21	<u>-</u>	<u>(2,898,000)</u>
Net assets		<u>295,361,879</u>	<u>308,403,523</u>
<b>Capital and reserves</b>			
Called up share capital	22	34,102	34,102
Capital redemption reserve	23	290,898	290,898
Other reserves	23	10,000,000	10,000,000
Retained earnings	23	<u>285,036,879</u>	<u>298,078,523</u>
Equity attributable to owners of the group		<u>295,361,879</u>	<u>308,403,523</u>
Total equity		<u>295,361,879</u>	<u>308,403,523</u>

Approved and authorised by the Board on 7/1/22 and signed on its behalf by:



S H Walduck

Director



J A Walduck

Director

The notes on pages 19 to 41 form an integral part of these financial statements.



# Imperial London Hotels Group Limited

(Registration number: 07469777)

Balance Sheet as at 30 April 2021

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Investments	14	37,902	37,802
<b>Current assets</b>			
Debtors	16	-	137,500
Creditors: Amounts falling due within one year	18	<u>(400)</u>	<u>(137,800)</u>
Net current liabilities		<u>(400)</u>	<u>(300)</u>
Net assets	22	<u>37,502</u>	<u>37,502</u>
<b>Capital and reserves</b>			
Called up share capital		34,102	34,102
Capital redemption reserve		<u>3,400</u>	<u>3,400</u>
Total equity		<u>37,502</u>	<u>37,502</u>

Approved and authorised by the Board on 7/1/22 and signed on its behalf by:



S H Walduck  
Director



J A Walduck  
Director

**Imperial London Hotels Group Limited**

**Consolidated Statement of Changes in Equity for the Year Ended 30 April 2021**

	Share capital £	Capital redemption reserve £	Other reserves £	Retained earnings £	Total £
At 1 May 2020	34,102	290,898	10,000,000	298,078,523	308,403,523
Loss for the year	-	-	-	(15,937,394)	(15,937,394)
Other comprehensive income	-	-	-	2,895,750	2,895,750
Total comprehensive income	-	-	-	(13,041,644)	(13,041,644)
At 30 April 2021	34,102	290,898	10,000,000	285,036,879	295,361,879
	Share capital £	Capital redemption reserve £	Other reserves £	Retained earnings £	Total £
At 1 May 2019	37,502	287,498	10,000,000	289,318,658	299,643,658
Profit for the year	-	-	-	34,011,305	34,011,305
Other comprehensive income	-	-	-	2,248,560	2,248,560
Total comprehensive income	-	-	-	36,259,865	36,259,865
Purchase of own share capital	(3,400)	3,400	-	(27,500,000)	(27,500,000)
At 30 April 2020	34,102	290,898	10,000,000	298,078,523	308,403,523

The notes on pages 19 to 41 form an integral part of these financial statements.  
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# Imperial London Hotels Group Limited

## Statement of Changes in Equity for the Year Ended 30 April 2021

	Share capital £	Capital redemption reserve £	Total £
At 1 May 2020	34,102	3,400	37,502
At 30 April 2021	34,102	3,400	37,502

	Share capital £	Capital redemption reserve £	Total £
At 1 May 2019	37,502	-	37,502
Purchase of own share capital	(3,400)	3,400	-
At 30 April 2020	34,102	3,400	37,502

# Imperial London Hotels Group Limited

## Consolidated Statement of Cash Flows for the Year Ended 30 April 2021

	Note	2021 £	2020 £
<b>Cash flows from operating activities</b>			
(Loss)/profit for the year		(15,937,394)	34,011,305
Adjustments to cash flows from non-cash items			
Profit on disposal of fixed assets	4	(12,959,031)	(10,821,086)
Depreciation and amortisation	5	3,910,280	1,780,801
Loss/(profit) from revaluation of investment properties	13	7,957,656	(15,934,245)
Interest receivable and similar income	6	(9,472)	(585,219)
Interest payable and similar charges	7	4,258,669	2,589,016
Share of profit of equity accounted investees		-	(42,233)
Corporation tax (credit)/expense	11	(6,509,613)	10,593,360
Working capital adjustments		(19,288,905)	21,591,699
Increase in stock		(2,112,764)	(1,130,035)
Decrease in trade and other debtors		3,005,707	419,467
Increase/(decrease) in trade and other creditors		3,986,906	(5,684,817)
Increase in retirement benefit obligation net of actuarial changes		644,000	432,000
Increase in other provisions		(125,000)	125,000
Cash generated from operations		(13,890,056)	15,753,314
Corporation tax received/(paid)		70,484	(7,983,038)
Net cash flow from operating activities		(13,819,572)	7,770,276
<b>Cash flows from investing activities</b>			
Interest received		9,472	585,219
Acquisitions of property, plant and equipment	12	(5,976,541)	(7,266,321)
Proceeds from sale of property, plant and equipment		19,829,135	11,313,356
Acquisition of investment properties	13	(452,656)	(193,106)
Cash payment to acquire subsidiaries, net of cash acquired		-	(40,436,902)
Cash payment to acquire debt		-	(49,157,244)
Net cash flows from investing activities		13,409,410	(85,154,998)
<b>Cash flows from financing activities</b>			
Interest paid	7	(3,425,935)	(2,481,016)
Payments for purchase of own shares		-	(27,500,000)
Proceeds from new loans obtained during the period	19	-	71,367,051
Repayment of loans and borrowings		(13,334,119)	(81,257)
Net cash flows from financing activities		(16,760,054)	41,304,778
Net decrease in cash and cash equivalents		(17,170,216)	(36,079,944)
Cash and cash equivalents at 1 May	17	53,153,546	89,233,490
Cash and cash equivalents at 30 April	17	35,983,330	53,153,546

The notes on pages 19 to 41 form an integral part of these financial statements.

# Imperial London Hotels Group Limited

## Notes to the Financial Statements for the Year Ended 30 April 2021

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### 1 General information

The company is a private company limited by share capital and incorporated in England and Wales.

The address of its registered office is:

Imperial Hotel  
61/66 Russell Square  
London  
WC1B 5BB

### 2 Accounting policies

#### Summary of significant accounting policies and key accounting estimates

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

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

#### Basis of preparation

The financial statements have been prepared under the historical cost convention, except for the modification to fair value where specified in the accounting policies, and in accordance with applicable accounting standards.

The financial statements are presented in Sterling which is the functional currency of the company and rounded to the nearest £.

The individual accounts of the Company have also adopted the following disclosure exemptions:

- the requirement to present a statement of cash flows and related notes;
- financial instrument disclosures, including categories of financial instruments, items of income, expenses, gains or losses relating to financial instruments, and exposure to and management of financial risks.

#### Key sources of estimation uncertainty

Pension and other post-employment benefits

The cost of defined benefit pension plans are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long term nature of these plans, such estimates are subject to significant uncertainty. Further details on the assumptions used can be seen in Note 21. The carrying amount of the defined benefit pension liability in the Balance Sheet at the reporting date is £Nil (2020 -£2,898,000).

## Imperial London Hotels Group Limited

### Notes to the Financial Statements for the Year Ended 30 April 2021

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#### **Basis of consolidation**

The consolidated financial statements consolidate the financial statements of the company and its subsidiary undertakings drawn up to 30 April 2021.

A subsidiary is an entity controlled by the company. Control is achieved where the company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the Profit and Loss Account from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill. Goodwill arising on business combinations is amortised over its useful economic life. Where this cannot be reliably estimated, it is presumed to be no longer than 10 years.

Material investments in associates are accounted for under the equity method of accounting. Associates that are immaterial to the group are held at cost less impairment.

Intra-group transactions, balances and unrealised gains on transactions between the company and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

No Profit and Loss Account is presented for the company as permitted by Section 408 of the Companies Act 2006. Its profit for the financial year was £nil (2020 -£nil).

#### **Going concern**

The directors having considered the expected impact of Covid-19 have a reasonable expectation that the company and the group have 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 recognition**

Hotel operating income is recognised at the point a guest occupies a room or is charged for a no-show.

Income on the sale of tickets is recognised on an accruals basis.

Income from the sale of crops is recognised on delivery.

Income from set-aside or government grants is recognised at the point when the company has met its obligations under the scheme and payment becomes due.

Income from property sales is recognised on exchange of contracts.

Rental income and provision of services is brought into account on an accruals basis. Income is matched to the days in the period.

#### **Redundancy costs**

Redundancy costs are recognised as an expense in the profit and loss account in the period in which the employment is terminated.

## Imperial London Hotels Group Limited

### Notes to the Financial Statements for the Year Ended 30 April 2021

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#### Other operating income

Other operating income includes furlough grants received. The income is recognised in profit and loss in the same period in which the related expense is incurred.

#### Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. All differences are taken to the Profit and Loss Account.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

#### Tax

Tax represents the sum of the tax currently payable and deferred tax. Tax is recognised in profit and loss, except that a charge attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the group operates and generates taxable income.

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements and on unused tax losses or tax credits in the group. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable surplus.

#### Property, plant and equipment

Tangible assets, except property transferred from investment property, are stated in the Balance Sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Property that transferred from investment property during the year transferred at market value considered to be the deemed cost. The difference between the deemed cost and the cost of the property at transfer is taken to the revaluation reserve.

#### Depreciation

The group provides for depreciation on freehold buildings over a period of 50 years, after consideration of the estimated residual value, and on long leasehold premises over the period of the lease.

The annual rates of depreciation in respect of fixed assets are as follows:

Asset class	Depreciation method and rate
Freehold buildings	2% fixed instalment
Long leasehold buildings	Period of lease
Plant and machinery	10 - 25% reducing balance

#### Investment property

Investment property is carried at fair value. Revaluation surpluses and deficits are recognised in the Profit and Loss account. Deferred taxation is provided on these gains at the rate expected to apply when the property is sold.

## **Imperial London Hotels Group Limited**

### **Notes to the Financial Statements for the Year Ended 30 April 2021**

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#### **Investments**

Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### **Trade debtors**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of the debtors.

#### **Stock**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stock to its present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit and loss.

#### **Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as current liabilities if the group does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the profit and loss over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

#### **Leases**

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Profit and Loss Account on a straight-line basis over the period of the lease.



## **Imperial London Hotels Group Limited**

### **Notes to the Financial Statements for the Year Ended 30 April 2021**

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#### **Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

#### **Defined benefit pension obligation**

Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the Balance Sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the reporting date minus the fair value of plan assets. The defined benefit obligation is measured using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future payments by reference to market yields at the reporting date on high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

The pension scheme interest amount is calculated by multiplying the gross defined benefit liability by the discount rate and is recognised in the Profit and Loss Account under interest payable and similar expenses.

Actuarial gains and losses are charged or credited to other comprehensive income in the period in which they arise.

The group pays contributions to the schemes on an annual basis based upon the shortfall in the funding of each scheme and the funds available.

No asset has been recognised in the financial statements in respect of the surplus on the executive and staff defined benefit pension scheme. This is because the directors consider that no material future economic benefits are expected to be realised as a result of this, either through reductions in future contributions to or refunds from the scheme.

#### **Financial instruments**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments.

#### **Financial risk management**

The group manages its cash and borrowing requirements with its subsidiary companies to ensure that all members of the group have sufficient liquid resources to meet the operating needs of its business.

All customers who wish to trade on credit terms are subject to credit verification procedures. Receivable balances are monitored on an on-going basis and provision is made for doubtful debts where necessary.

## Imperial London Hotels Group Limited

### Notes to the Financial Statements for the Year Ended 30 April 2021

#### 3 Revenue

The analysis of the group's revenue for the year from continuing operations is as follows:

	2021 £	2020 £
Hotel operating	2,390,261	63,812,743
Property trading and investment	10,203,112	9,929,782
Agriculture	167,221	164,362
Car park turnover	363,691	607,843
Ticket agent and sightseeing tours	-	469,700
	<u>13,124,285</u>	<u>74,984,430</u>

#### 4 Other operating income

The analysis of the group's other operating income for the year is as follows:

	2021 £	2020 £
Rent receivable and other income	3,710,397	3,743,652
The profit on disposal of fixed assets	12,959,031	10,821,086
Furlough grants	4,700,493	1,083,190
	<u>21,369,921</u>	<u>15,647,928</u>

#### 5 Operating profit

Arrived at after charging/(crediting)

	2021 £	2020 £
Depreciation of owned assets	3,910,280	1,674,920
Foreign exchange losses/(gains)	9,020	(7,378)
Amortisation of goodwill on investment in associates	-	105,881
Defined benefit pension service costs	644,000	1,057,000

#### 6 Other interest receivable and similar income

	2021 £	2020 £
Interest income on bank deposits	<u>9,472</u>	<u>585,219</u>

## Imperial London Hotels Group Limited

### Notes to the Financial Statements for the Year Ended 30 April 2021

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#### 7 Interest payable and similar charges

	2021 £	2020 £
Bank charges	54,046	401,000
Interest on other loans and borrowings	3,053,918	1,962,965
Net finance costs on defined benefit pension schemes	<u>350,971</u>	<u>225,051</u>
	<u>3,458,935</u>	<u>2,589,016</u>

#### 8 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2021 £	2020 £
Wages and salaries	23,311,308	21,867,473
Social security costs	2,231,580	1,483,372
Staff pensions	983,878	1,293,603
Other employee expense	<u>15,464</u>	<u>19,643</u>
	<u>26,542,230</u>	<u>24,664,091</u>

Wages and salaries include redundancy costs of £3,033,394 (2020 - £nil).

The average number of persons employed by the group during the year, analysed by category was as follows:

	2021 No.	2020 No.
Hotel operations	404	1,098
Administration	10	83
Other departments	<u>152</u>	<u>12</u>
	<u>566</u>	<u>1,193</u>

## Imperial London Hotels Group Limited

### Notes to the Financial Statements for the Year Ended 30 April 2021

#### 9 Directors' remuneration

The directors' remuneration for the year was as follows:

	2021 £	2020 £
Emoluments	8,410,446	772,800
Estimated value of benefits in kind	<u>25,000</u>	<u>25,000</u>
	<u>8,435,446</u>	<u>797,800</u>

During the year the number of directors who were receiving benefits and share incentives was as follows:

	2021	2020
Accruing benefits under defined benefit pension scheme	<u>6</u>	<u>5</u>

In respect of the highest paid director:

	2021 £	2020 £
Remuneration	<u>3,081,969</u>	<u>154,560</u>

#### 10 Auditor's remuneration

	2021 £	2020 £
The auditing of accounts of the company	5,100	5,100
The auditing of the accounts of any subsidiary of the company	76,000	79,500
The auditing of the Staff Pension Scheme	11,500	11,500
Services provided to the Executive Pension Scheme	3,100	3,100
Taxation compliance services	34,100	34,600
All other non-audit services	<u>155,773</u>	<u>223,576</u>
	<u>285,573</u>	<u>357,376</u>

# Imperial London Hotels Group Limited

## Notes to the Financial Statements for the Year Ended 30 April 2021

### II Taxation

Tax charged/(credited) in the Profit and Loss Account

	2021 £	2020 £
<b>Current taxation</b>		
UK corporation tax	(2,474,497)	4,054,496
UK corporation tax adjustment to prior periods	(45,508)	(65)
	<u>(2,520,005)</u>	<u>4,054,431</u>
<b>Deferred taxation</b>		
Arising from origination and reversal of timing differences	(2,477,653)	158,994
Arising from changes in tax rates and laws	-	1,043,043
Arising from gain on revaluation of investment property	(1,511,955)	5,336,892
Total deferred taxation	<u>(3,989,608)</u>	<u>6,538,929</u>
Tax (receipt)/expense in the Profit and Loss Account	<u>(6,509,613)</u>	<u>10,593,360</u>

The tax on profit before tax for the year is higher than the standard rate of corporation tax in the UK (2020 - higher than the standard rate of corporation tax in the UK) of 19% (2020 - 19%).

The differences are reconciled below:

	2021 £	2020 £
(Loss)/profit before tax	<u>(22,447,007)</u>	<u>44,604,665</u>
Corporation tax at standard rate	(4,264,931)	8,629,264
Effect of revenues exempt from taxation	-	(27,132)
Effect of fair value gains on investment property exempt from taxation	(2,480,245)	(5,236,661)
Effect of expense not deductible in determining taxable profit	2,069,987	474,023
Effect of tax losses	705,919	(5,450)
Deferred tax expense relating to changes in tax rates or laws	-	1,043,043
Deferred tax (credit)/expense arising from origination and reversal of timing differences	(2,477,653)	158,585
Decrease in UK current tax from adjustment for prior periods	(45,508)	(65)
Effect of capital allowances and depreciation	20,314	(211,639)
Effect of changes in pension fund prepayment	127,635	100,594
Other tax effects for reconciliation between accounting profit and tax expense	1,346,824	486,284
Effect of revaluation of investment property	<u>(1,511,955)</u>	<u>5,336,892</u>
Total tax (credit)/charge	<u>(6,509,613)</u>	<u>10,747,738</u>

## Imperial London Hotels Group Limited

### Notes to the Financial Statements for the Year Ended 30 April 2021

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#### Deferred tax

##### Group

Deferred tax assets and liabilities

2021	Liability £
Depreciation in arrears of capital allowances	(1,498,769)
Pension scheme adjustment	-
Revaluation of investment property	(12,852,700)
Tax losses carried forwards	705,919
Difference between property carrying value and base cost	1,897,453
	<u>(11,748,097)</u>

2020	Liability £
Depreciation in arrears of capital allowances	(1,244,036)
Pension scheme adjustment	550,237
Revaluation of investment property	(14,364,655)
Tax losses carried forwards	-
Difference between property carrying value and base cost	-
	<u>(15,058,454)</u>

Deferred tax amounts have been calculated at 19% (2020 - 19%). The Spring 2021 Budget announced an increase in the main corporation tax rate to 25% with effect from 1 April 2023 and this was substantively enacted after the year end on 24 May 2021. The future impact of the change in tax rates is expected to be £3,709,925.

## Imperial London Hotels Group Limited

### Notes to the Financial Statements for the Year Ended 30 April 2021

#### 12 Tangible Fixed Assets

##### Group

	Land and buildings £	Plant and machinery £	Total £
<b>Cost or valuation</b>			
At 1 May 2020	226,446,936	14,839,356	241,286,292
Additions	2,446,508	3,530,033	5,976,541
Disposals	<u>(5,923,838)</u>	<u>(2,474,593)</u>	<u>(8,398,431)</u>
At 30 April 2021	<u>222,969,606</u>	<u>15,894,796</u>	<u>238,864,402</u>
<b>Depreciation</b>			
At 1 May 2020	5,495,806	9,739,925	15,235,731
Charge for the year	2,991,933	918,347	3,910,280
Eliminated on disposal	<u>(361,566)</u>	<u>(1,166,761)</u>	<u>(1,528,327)</u>
At 30 April 2021	<u>8,126,173</u>	<u>9,491,511</u>	<u>17,617,684</u>
<b>Carrying amount</b>			
At 30 April 2021	<u>214,843,433</u>	<u>6,403,285</u>	<u>221,246,718</u>
At 30 April 2020	<u>220,951,130</u>	<u>5,099,431</u>	<u>226,050,561</u>

#### 13 Investment properties

##### Group

	£
At 1 May 2020	138,251,430
Additions	452,656
Fair value adjustments	<u>(7,957,656)</u>
At 30 April 2021	<u>130,746,430</u>

The investment properties were valued on 30 April 2021 by Colliers International Valuation UK LLP, professionally qualified external valuers, in accordance with the RICS Valuation Professional Standards published by the Royal Institution of Chartered Surveyors. The open market value of the properties is £130,746,430 (2020 -£138,251,430) and the historical cost of the properties is £96,253,446 (2020 -£95,800,790).

# Imperial London Hotels Group Limited

## Notes to the Financial Statements for the Year Ended 30 April 2021

### 14 Investments

#### Group

	2021 £	2020 £
Investments in associates	600,045	1,399,779

#### Associates

##### Carrying amount

At 1 May 2019

1,399,779

Provision

(799,734)

At 30 April 2021

600,045

#### Details of undertakings

Details of the investments in which the group holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	
			2021	2020
Subsidiary undertakings				
The Imperial London Hotels Limited	United Kingdom	Ordinary	100%	100%
Walduck Properties Limited	United Kingdom	Ordinary	100%	100%
Brownlow Developments Limited	United Kingdom	Ordinary	100%	100%
Brownlow Trust Pty Limited	Australia	Ordinary	100%	100%
CC Parking Limited	United Kingdom	Ordinary	100%	100%
Hatfield Farms Limited	United Kingdom	Ordinary	100%	100%
Travellers Check-In Limited	United Kingdom	Ordinary	100%	100%
Tudehope Limited	United Kingdom	Ordinary	100%	100%
Imperial London Enterprises Limited	United Kingdom	Ordinary	100%	100%
Imperial London Properties Limited	United Kingdom	Ordinary	100%	100%
Imperial London Laundry Limited	United Kingdom	Ordinary	100%	100%
Imperial London Assets Limited	United Kingdom	Ordinary	100%	100%
Imperial Bloomsbury Limited	United Kingdom	Ordinary	100%	100%
Imperial Bloomsbury Holdco Limited	Jersey	Ordinary	100%	100%
Imperial Bloomsbury Opco Limited	Jersey	Ordinary	100%	100%
R. Bloomsbury Mezzco Limited	Jersey	Ordinary	0%	100%
R. Bloomsbury Opco Holdco Limited	Jersey	Ordinary	0%	100%



## Imperial London Hotels Group Limited

### Notes to the Financial Statements for the Year Ended 30 April 2021

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#### Associates

Bloomsbury Leisure Holdings Limited	United Kingdom	Ordinary	22.5%	22.5%
Oakgrange Limited	United Kingdom	Ordinary	22.7%	22.7%
Noetic Marketing Technologies Limited	United Kingdom	Ordinary	26.58%	26.58%

#### Subsidiary undertakings

The principal activity of The Imperial London Hotels Limited is that of the operation and management of hotels.

The principal activity of Walduck Properties Limited is that of a property company.

The principal activity of Brownlow Developments Limited is that of a property company.

The principal activity of Brownlow Trust Pty Limited is that of a property company.

The principal activity of CC Parking Limited is that of a car park operator.

The principal activity of Hatfield Farms Limited is agriculture.

The principal activity of Travellers Check-In Limited is that of a ticket agent and coach sightseeing operator.

The principal activity of Tudehope Limited is that of a property investment company.

The principal activity of Imperial London Enterprises Limited is that of a freehold owner.

The principal activity of Imperial London Properties Limited is that of a dormant company.

The principal activity of Imperial London Laundry Limited is washing and (dry-)cleaning of textile and fur products.

The principal activity of Imperial London Assets Limited is that of an investment company.

The principal activity of Imperial Bloomsbury Limited is that of a dormant company.

The principal activity of Imperial Bloomsbury Holdco Limited is that of a leasehold owner.

The principal activity of Imperial Bloomsbury Opco Limited is that of the operation and management of hotels.

The principal activity of R. Bloomsbury Mezzco Limited is that of a holding company of a UK hotel business.

The principal activity of R. Bloomsbury Opco Holdco Limited is that of a holding company of UK hotels.

#### Associate undertakings

The principal activity of Bloomsbury Leisure Holdings Limited is that of a holding company.

The principal activity of Oakgrange Limited is that of a non-trading company.

The principal activity of Noetic Marketing Technologies Limited is digital marketing services.

# Imperial London Hotels Group Limited

## Notes to the Financial Statements for the Year Ended 30 April 2021

### Company

	2021 £	2020 £
Investments in subsidiaries	<u>37,902</u>	<u>37,802</u>
<b>Subsidiaries</b>		£
<b>Cost</b>		
At 1 May 2020		37,802
Additions		<u>100</u>
At 30 April 2021		<u>37,902</u>
<b>Carrying amount</b>		
At 30 April 2020		<u>37,802</u>
At 30 April 2021		<u>37,902</u>

### Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	
			2021	2020
Subsidiary undertakings				
The Imperial London Hotels Limited	United Kingdom	Ordinary	100%	100%
Imperial London Properties Limited	United Kingdom	Ordinary	100%	100%
Imperial London Enterprises Limited	United Kingdom	Ordinary	100%	100%
Imperial London Laundry Limited	United Kingdom	Ordinary	100%	100%
Imperial London Assets Limited	United Kingdom	Ordinary	100%	100%

The principal activity of The Imperial London Hotels Limited is that of the operation and management of hotels.

The principal activity of Imperial London Properties Limited is that of a dormant company.

The principal activity of Imperial London Enterprises Limited is that of a freehold owner.

The principal activity of Imperial London Laundry Limited is that of a dormant company.

The principal activity of Imperial London Assets Limited is that of an investment company.

# Imperial London Hotels Group Limited

## Notes to the Financial Statements for the Year Ended 30 April 2021

### 15 Stock

	Group		Company	
	2021	2020	2021	2019
	£	£	£	£
Finished goods and goods for resale	851,016	1,143,553	-	-
Other inventories	17,395	26,878	-	-
Trading properties	<u>25,556,553</u>	<u>23,141,769</u>	<u>-</u>	<u>-</u>
	<u>26,424,964</u>	<u>24,312,200</u>	<u>-</u>	<u>-</u>

### 16 Debtors

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Trade debtors	1,825,228	2,403,835	-	-
Amounts due from related parties	-	-	-	137,500
Other debtors	1,465,755	1,504,466	-	-
Prepayments and accrued income	2,446,227	4,382,233	-	-
Corporation tax debtor	<u>4,016,973</u>	<u>1,567,452</u>	<u>-</u>	<u>-</u>
Total current trade and other debtors	<u>9,754,183</u>	<u>9,857,986</u>	<u>-</u>	<u>137,500</u>

### 17 Cash and cash equivalents

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Cash at bank	36,008,386	53,161,454	-	-
Bank overdrafts	<u>(25,056)</u>	<u>(7,908)</u>	<u>-</u>	<u>-</u>
Cash and cash equivalents in statement of cash flows	<u>35,983,330</u>	<u>53,153,546</u>	<u>-</u>	<u>-</u>

# Imperial London Hotels Group Limited

## Notes to the Financial Statements for the Year Ended 30 April 2021

### 18 Creditors

		Group		Company	
	Note	2021 £	2020 £	2021 £	2020 £
<b>Due within one year</b>					
Loans and borrowings	19	9,345,900	9,344,900	-	-
Trade creditors		2,467,017	2,444,243	-	-
Amounts due to related parties		-	-	400	300
Social security and other taxes		412,991	377,955	-	137,500
Other creditors		2,344,774	1,773,914	-	-
Accrued expenses		1,680,654	2,064,459	-	-
Deferred income		669,414	792,962	-	-
		<u>16,920,750</u>	<u>16,798,433</u>	<u>400</u>	<u>137,800</u>
<b>Due after one year</b>					
Loans and borrowings	19	<u>100,750,000</u>	<u>109,750,000</u>	<u>-</u>	<u>-</u>

### 19 Loans and borrowings

	Group		Company	
	2021 £	2020 £	2021 £	2020 £
<b>Non-current loans and borrowings</b>				
Bank borrowings	88,750,000	93,750,000	-	-
Other borrowings	<u>12,000,000</u>	<u>16,000,000</u>	<u>-</u>	<u>-</u>
	<u>100,750,000</u>	<u>109,750,000</u>	<u>-</u>	<u>-</u>
<b>Current loans and borrowings</b>				
Bank borrowings	5,000,000	5,000,000	-	-
Bank overdrafts	25,056	7,908	-	-
Other borrowings	<u>4,320,844</u>	<u>4,336,992</u>	<u>-</u>	<u>-</u>
	<u>9,345,900</u>	<u>9,344,900</u>	<u>-</u>	<u>-</u>

## Imperial London Hotels Group Limited

### Notes to the Financial Statements for the Year Ended 30 April 2021

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#### Group

##### Bank borrowings

The bank loan is secured on the assets of two subsidiary companies within the group. The security has been provided through a charge over these companies' freehold property and through a negative pledge over their other assets.

The loan is repayable by instalments, with £35,625,000 of the instalments falling due after 5 years.

##### Other borrowings

The group has a loan from the Imperial London Hotels Limited Executive Pension Fund. The group pays interest on the principal amount of the loan at 2.6% per annum and the loan is due for repayment in five equal annual instalments, with the final instalment on 17 December 2024. During the year, interest of £317,337 (2020 - £117,051) was recognised. The carrying amount of the loan at the year end is £16,317,337 (2020 - £20,117,051), with £4,317,337 (2020 - £4,117,051) held within current other borrowings and £12,000,000 included within non-current other borrowings.

A first legal charge in respect of this loan is held over one of the group's hotels at Russell Square, London, WC1N 1DB.

## 20 Provisions

#### Group

	Other provisions £	Deferred tax £	Total £
At 1 May 2020	125,000	15,058,454	15,183,454
Decrease in existing provisions	(125,000)	(3,310,357)	(3,435,357)
At 30 April 2021	-	11,748,097	11,748,097

## 21 Pension and other schemes

#### Defined benefit pension schemes

##### Executive scheme

The scheme is administered by trustees and is independent of the group's finances, being invested in an approved self-administered scheme. Pension costs are measured in accordance with the advice of qualified actuaries.

The 2021 figures are based on a full actuarial valuation as at the reporting date, 30 April 2021.

The total relating to defined benefit schemes for the year recognised in profit or loss as an expense was £85,000 (2020 - £260,000).

# Imperial London Hotels Group Limited

## Notes to the Financial Statements for the Year Ended 30 April 2021

### Reconciliation of scheme assets and liabilities to assets and liabilities recognised

The amounts recognised in the Balance Sheet are as follows:

	2021 £	2020 £
Fair value of scheme assets	54,600,000	50,300,000
Present value of defined benefit obligation	(50,371,000)	(53,198,000)
	4,229,000	(2,898,000)
Other amounts not recognised in the statement of financial position	(4,229,000)	-
Defined benefit pension scheme deficit	-	(2,898,000)

### Defined benefit obligation

Changes in the defined benefit obligation are as follows:

	2021 £
Present value at start of period	53,198,000
Current service cost	52,000
Interest cost	863,000
Benefits paid	(1,761,000)
Changes to financial assumptions	(1,981,000)
Present value at end of year	50,371,000

### Fair value of scheme assets

Changes in the fair value of scheme assets are as follows:

	2021 £
Fair value at start of period	50,300,000
Interest income	830,000
Return on plan assets, excluding amounts included in interest income/(expense)	5,231,000
Benefits paid	(1,761,000)
Fair value at end of year	54,600,000

### Analysis of assets

The major categories of scheme assets are as follows:

	2021 £	2020 £
Cash and cash equivalents	32,000,000	22,800,000
Debt instruments	5,000,000	9,100,000
Property	-	3,200,000
Investment funds	17,600,000	15,200,000
	54,600,000	50,300,000

## Imperial London Hotels Group Limited

### Notes to the Financial Statements for the Year Ended 30 April 2021

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#### *Return on scheme assets*

	2021	2020
	%	%
Return on scheme assets	12	6

The pension scheme has not invested in any of the group's own financial instruments or in properties or other assets used by the group.

#### *Principal actuarial assumptions*

The principal actuarial assumptions at the Balance Sheet date are as follows:

	2021	2020
	%	%
Discount rate	2.00	1.65
Future salary increases	2.70	2.50
Future pension increases	3.20	1.60
Inflation	3.30	2.80

#### *Post retirement mortality assumptions*

	2021	2020
	Years	Years
Current UK pensioners at retirement age - male	24	24
Current UK pensioners at retirement age - female	25	25
Future UK pensioners at retirement age - male	25	25
Future UK pensioners at retirement age - female	26	25

#### **Staff scheme**

The scheme is administered by trustees and is independent of the group's finances, being invested in a managed fund. Pension costs are measured in accordance with the advice of qualified actuaries.

The date of the most recent comprehensive actuarial valuation was 30 April 2018. The 2021 figures have been based on an approximate update of the valuation calculations, carried out by a qualified independent actuary as at 30 April 2021.

The total cost relating to defined benefit schemes for the year recognised in profit or loss as an expense was £592,000 (2020 - £905,000).

## Imperial London Hotels Group Limited

### Notes to the Financial Statements for the Year Ended 30 April 2021

#### **Reconciliation of scheme assets and liabilities to assets and liabilities recognised**

The amounts recognised in the Balance Sheet are as follows:

	2021 £	2020 £
Fair value of scheme assets	45,362,000	41,059,000
Present value of defined benefit obligation	<u>(35,364,000)</u>	<u>(35,725,000)</u>
	9,998,000	5,334,000
Other amounts not recognised in the statement of financial position	<u>(9,998,000)</u>	<u>(5,334,000)</u>
Defined benefit pension scheme surplus/(deficit)	<u>-</u>	<u>-</u>

#### **Defined benefit obligation**

Changes in the defined benefit obligation are as follows:

	2021 £
Present value at start of period	35,725,000
Current service cost	592,000
Interest cost	576,000
Benefits paid	(1,627,000)
Changes to financial assumptions	<u>98,000</u>
Present value at end of year	<u>35,364,000</u>

#### **Fair value of scheme assets**

Changes in the fair value of scheme assets are as follows:

	2021 £
Fair value at start of period	41,059,000
Interest income	664,000
Return on plan assets, excluding amounts included in interest income/(expense)	5,266,000
Benefits paid	<u>(1,627,000)</u>
Fair value at end of year	<u>45,362,000</u>

#### **Analysis of assets**

The major categories of scheme assets are as follows:

	2021 £	2020 £
Cash and cash equivalents	399,000	1,056,000
Insured pensions	260,000	262,000
Investment funds	<u>44,703,000</u>	<u>39,741,000</u>
	<u>45,362,000</u>	<u>41,059,000</u>



# Imperial London Hotels Group Limited

## Notes to the Financial Statements for the Year Ended 30 April 2021

### Return on scheme assets

	2021 %	2020 %
Return on scheme assets	15	6

The pension scheme has not invested in any of the group's own financial instruments or in properties or other assets used by the group.

### Principal actuarial assumptions

The principal actuarial assumptions at the Balance Sheet date are as follows:

	2021 %	2020 %
Discount rate	2.00	1.65
Future salary increases	2.50	2.50
Future pension increases	2.50	1.60
Inflation	3.30	2.80

### Post retirement mortality assumptions

	2021 Years	2020 Years
Current UK pensioners at retirement age - male	22	22
Current UK pensioners at retirement age - female	24	24
Future UK pensioners at retirement age - male	24	23
Future UK pensioners at retirement age - female	26	26

## 22 Share capital

### Allotted, called up and fully paid shares

	No.	2021 £	No.	2020 £
Ordinary shares of £1 each	34,102	34,102	34,102	34,102

## Notes to the Financial Statements for the Year Ended 30 April 2021

**Group**  
Capital redemption reserve

Share capital

This reserve represents the nominal value of shares that have been issued.

Other reserves

This reserve is a hotel redevelopment reserve.

Retained earnings

This reserve includes all current and prior period retained profits and losses.

**Group**

### Key management personnel

### Key management compensation

**Salaries and other short term employee benefits**

### Post-employment benefits

2021	£	8,410,446	25,000	8,435,446
2020	£	772,800	25,000	797,800

**Summary of transactions with associates**

## Imperial London Hotels Group Limited

### Notes to the Financial Statements for the Year Ended 30 April 2021

#### Loans from related parties

	Key management £
<b>2021</b>	
At start of period	329,114
Advanced	826,003
At end of period	1,155,117
<b>2020</b>	
At start of period	301,198
Advanced	27,916
At end of period	329,114

#### Terms of loans from related parties

The loans from key management are unsecured, interest-free and repayable on demand.

## 25 Financial instruments

### Group

#### Categorisation of financial instruments

	2021 £	2020 £
Financial assets that are equity instruments measured at cost less impairment	600,045	600,045
Financial assets that are debt instruments measured at amortised cost	2,500,389	5,134,486
	3,100,434	5,734,531
Financial liabilities measured at amortised cost	112,270,374	10,455,170
	112,270,374	10,455,170

## 26 Ultimate controlling party

The company is controlled by the directors.

## 27 Post balance sheet events

On 3 August 2021 the company disposed of its freehold interest in Alexandra House, 17-19 Queen Square, for total consideration of £12.1m.