

Registration number: 09861398  
(England and Wales)

# Ribbon Hotels Management Limited

Annual Report and Financial Statements

For the year ended 31 December 2022

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## **Ribbon Hotels Management Limited**

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## **Ribbon Hotels Management Limited**

### **Company Information**

<b>Directors</b>	SM Teasdale E Kassianos
<b>Company secretary</b>	R Sooriah
<b>Company number</b>	09861398
<b>Registered office</b>	Holiday Inn London Heathrow M4 J4 Sipson Road West Drayton UB7 0JU
<b>Auditors</b>	Moore Kingston Smith LLP Statutory Auditor 9 Appold Street London EC2A 2AP

## **Ribbon Hotels Management Limited**

### **Directors' Report**

*For the year ended 31 December 2022*

The directors present their report and the financial statements for the year ended 31 December 2022.

This report has been prepared in accordance with the special provisions of section 381 of the Companies Act 2006 relating to small companies. The directors has taken exemption under this regime not to disclose the strategic report.

#### **Principal activity**

The principal activity of the company is that of an intermediate holding company to a group of subsidiaries owning investment properties in the United Kingdom.

#### **Business review**

##### ***Fair review of the business***

The company's financial statements show a profit after tax for the year of £183,200 (2021: profit of £96,795). Following the disposal of the company's hotel management operations in 2019, the company has not actively traded in the current period.

#### **Going concern**

The directors have concluded that the company is a going concern.

#### **Financial instruments**

##### ***Objectives and policies***

The main risk arising from the company's financial instruments is liquidity risk. The Board reviews and agrees policies for managing this risk and is summarized below.

#### ***Liquidity risk***

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when they fall due without incurring unacceptable losses or risking damage to the group's reputation. The company uses cash flow forecasting tool to monitor its cash flow requirements. The company's investees operate in the hotel industry which generates sufficient liquid cash to meet the group's operating and financing cash outflows.

#### **Dividends**

The directors do not recommend a dividend for the current period. No dividend was paid in the current or prior period.

## **Ribbon Hotels Management Limited**

### **Directors' Report**

*For the year ended 31 December 2022 (continued)*

#### **Directors' of the company**

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

SM Teasdale  
E Kassianos


#### **Disclosure of information to the auditors**

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 company'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. This confirmation is given and should be interpreted in accordance with the provision of section 418 of the Companies Act 2006.

#### **Appointment of auditors**

Moore Kingston Smith LLP have been appointed as the company's auditors.

Approved by the Board on 17 May 2023 and signed on its behalf by:

DocuSigned by:  
  
.....CC39752A3278401.....  
SM Teasdale  
Director

## **Ribbon Hotels Management Limited**

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

The directors acknowledge their responsibilities 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 Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework' ('FRS 101'). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; 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 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 are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Ribbon Hotels Management Limited**

### **Independent Auditor's Report to the Members of Ribbon Hotels Management Limited**

#### **Opinion on the financial statements**

We have audited the financial statements of Ribbon Hotels Management Limited (the 'company') for the year ended 31 December 2022, which comprise the Income Statement, Statement of Financial Position, Statement of Changes in Equity, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 101 '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 company's affairs as at 31 December 2022 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. 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**

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.

## **Ribbon Hotels Management Limited**

### **Independent Auditor's Report to the Members of Ribbon Hotels Management Limited (continued)**

#### **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 contained within the annual report. 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.

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 course of 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 themselves. 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.

#### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report 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 any material misstatements in the 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; or
- the director was not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions from the requirement to prepare a Strategic report.

#### **Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibility on page 4, 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.



## **Ribbon Hotels Management Limited**

### **Independent Auditor's Report to the Members of Ribbon Hotels Management 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.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or the parent company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## **Ribbon Hotels Management Limited**

### **Independent Auditor's Report to the Members of Ribbon Hotels Management Limited (continued)**

#### **Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

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.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the company and considered that the most significant are the Companies Act 2006, UK financial reporting standards as issued by the Financial Reporting Council, and UK taxation legislation.
- We obtained an understanding of how the company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

#### **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 for no purpose other than to draw to the attention of the company's members those matters which we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the company and company's members as a body, for our work, for this report, or for the opinions we have formed.

*Moore Kingston Smith LLP*

.....  
Jeremy Read (Senior Statutory Auditor)  
For and on behalf of Moore Kingston Smith LLP, Statutory Auditor  
9 Appold Street  
London  
EC2A 2AP

17 May 2023

## Ribbon Hotels Management Limited

### Income Statement

*For the year ended 31 December 2022*

	Note	2022 £ 000	2021 £ 000
Administrative expenses		-	(2)
Other losses	4	<u>(16)</u>	<u>(17)</u>
<b>Operating loss</b>	<b>5</b>	<b>(16)</b>	<b>(19)</b>
Finance income	6	199	206
Finance costs	7	<u>-</u>	<u>(90)</u>
<b>Profit before tax</b>		<b>183</b>	<b>97</b>
Tax charge	10	<u>-</u>	<u>-</u>
<b>Profit for the year</b>		<b><u>183</u></b>	<b><u>97</u></b>
<b>Profit attributable to:</b>			
Owners of the company		<u>183</u>	<u>97</u>

The above results were derived from continuing operations.

There is no other comprehensive income for the period other than those included above, therefore a statement of other comprehensive income has not been presented.

# **Ribbon Hotels Management Limited**

## **Statement of Financial Position**

*At 31 December 2022*

	Note	2022 £ 000	2021 £ 000
<b>Assets</b>			
<b>Non-current assets</b>			
Investments	11	116,145	116,145
Other financial assets	12	<u>1,617</u>	<u>1,418</u>
		117,762	117,563
<b>Current assets</b>			
Trade and other receivables	13	<u>25,672</u>	<u>38,026</u>
<b>Total assets</b>		<u><b>143,434</b></u>	<u><b>155,589</b></u>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Called up share capital	14	1,034	1,034
Share premium reserve		102,312	102,312
Other reserves	15	12,800	12,800
Retained losses		<u>(3,100)</u>	<u>(3,283)</u>
		113,046	112,863
<b>Current liabilities</b>			
Trade and other payables	16	<u>30,388</u>	<u>42,726</u>
<b>Total equity and liabilities</b>		<u><b>143,434</b></u>	<u><b>155,589</b></u>

The notes on pages 12 to 21 form an integral part of these financial statements.

Approved by the Board on 17 May 2023 and signed on its behalf by:

DocuSigned by:



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SM Teasdale

Director

Company registered number: 09861398

**Ribbon Hotels Management Limited****Statement of Changes in Equity***For the Year Ended 31 December 2022*

	Share capital £ 000	Share premium £ 000	Other reserves £ 000	Retained earnings £ 000	Total £ 000
At 1 January 2021	1,034	102,312	-	(3,380)	99,966
Profit for the year	-	-	-	97	97
Total comprehensive income	-	-	-	97	97
Transactions with shareholders					
Capital contribution	-	-	12,800	-	12,800
At 31 December 2021	<u>1,034</u>	<u>102,312</u>	<u>12,800</u>	<u>(3,283)</u>	<u>112,863</u>
	Share capital £ 000	Share premium £ 000	Other reserves £ 000	Retained earnings £ 000	Total £ 000
At 1 January 2022	1,034	102,312	12,800	(3,283)	112,863
Profit for the year	-	-	-	183	183
Total comprehensive income	-	-	-	183	183
At 31 December 2022	<u>1,034</u>	<u>102,312</u>	<u>12,800</u>	<u>(3,100)</u>	<u>113,046</u>

## **Ribbon Hotels Management Limited**

### **Notes to the Financial Statements**

*For the year ended 31 December 2022*

#### **1 General information**

Ribbon Hotels Management Limited (the company) is a private company limited by shares, incorporated and domiciled in the United Kingdom under the Companies Act 2016 and registered in England. The address of its registered office is disclosed in the company information. The principal activity of the company is described in the Directors' Report.

#### **2 Accounting policies**

##### **(a) Basis of preparation**

The company meets the definition of a qualifying entity under FRS 100 'Application of Financial Reporting Requirements' issued by the Financial Reporting Council. These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework.

The financial statements have been prepared on the historical cost basis and in accordance with the Companies Act 2006.

The presentation and functional currency of the company is pounds sterling. The financial statements are presented in thousands of pounds (£'000) unless stated otherwise.

##### **(b) Summary of disclosure exemptions**

The following exemptions from the requirements of IFRS have been applied in preparation of these financial statements, in accordance with FRS 101:

- The following paragraphs of IAS 1 Presentation of financial statements:
  - 10(d) statement of cash flows
  - 16 statement of compliance with all IFRS
  - 134-136 capital management disclosures,
- Paragraph 30 and 31 of IAS 8, disclosure and impact of new IFRSs that has been issued but not yet effective, and
- The requirements in IAS 24 of Related party disclosures, to disclose related party transactions entered between two or more members of a group.

Where relevant equivalent disclosures have been given in the consolidated financial statements of Vivion Investments Sarl which will be available to the public and can be obtained from 155 rue Cents, L-1319, Luxembourg.

## **Ribbon Hotels Management Limited**

### **Notes to the Financial Statements**

*For the year ended 31 December 2022 (continued)*

#### **2 Accounting policies (continued)**

##### **(c) Consolidation exemption**

The financial statements contain information about Ribbon Hotels Management Limited as an individual company and do not contain consolidated financial information as the parent of a group.

The company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, Vivion Investments Sarl, a company incorporated in Luxembourg.

##### **(d) Going concern**

When assessing the foreseeable future, the Directors have looked at a period of at least twelve months from the date of approval of these financial statements and have considered adequacy of funds required as well as the working capital requirements of the Company.

The Company is in a net asset position, however, it does not have its own bank accounts to pay its debts as and when they fall due. Ribbon Acquisition Limited, a subsidiary company, has provided a letter of support confirming that it will provide such additional working capital as necessary to enable the Company to meet all of its debts as and when they fall due for a period of at least twelve months from the date of approval of these financial statements. On this basis, the Directors are satisfied that the Company has sufficient resources to continue in operation for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

##### **(e) Investments**

Investments in subsidiaries are stated at cost less provision for impairment.

##### **(f) Financial instruments**

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value.

##### ***Other financial liabilities***

Other financial liabilities (including loans and borrowings and other payables) are subsequently measured at amortised cost using the effective interest method.

##### ***Other payables***

Other payables are initially recognised at fair value, based upon the nominal amount outstanding. Subsequent to initial recognition, they are recorded at amortised cost.

## **Ribbon Hotels Management Limited**

### **Notes to the Financial Statements**

*For the year ended 31 December 2022 (continued)*

#### **2 Accounting policies (continued)**

##### **(f) Financial instruments (continued)**

###### ***Effective interest method***

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

###### ***Impairment of financial assets***

The company always recognises expected credit losses for other receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate. The carrying amount of the financial asset is reduced by the impairment loss.

###### ***Offsetting of financial instruments***

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

###### ***De-recognition of financial assets***

The company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. Any interest in such transferred financial assets that is created or retained by the company is recognised as a separate asset or liability.

###### ***De-recognition of financial liabilities***

The company derecognises financial liabilities when, and only when, the company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.



## **Ribbon Hotels Management Limited**

### **Notes to the Financial Statements**

*For the year ended 31 December 2022 (continued)*

#### **2 Accounting policies (continued)**

##### **(g) Taxation**

Tax expense represents the sum of the tax currently payable and deferred tax.

##### ***Current tax***

The tax currently payable is based on taxable profit for the period. Taxable profit differs from 'profit before tax' as reported in profit and loss account because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

#### **3 Critical accounting judgements and key sources of estimation uncertainty**

In the application of the company's accounting policies, the directors of the company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

##### ***Key sources of estimation uncertainty***

The key source of estimation uncertainty at the balance sheet date, that may have a significant risk of causing a material adjustment to the carrying amounts of assets within the next financial year, are discussed below.

##### ***Impairment of investment in subsidiary undertakings***

Determining whether the company's investment in subsidiary undertakings have been impaired requires estimations of the investment's values in use. The value in use calculations require the entity to estimate the future cash flows expected to arise from the investment and suitable discount rates in order to calculate present values. Based on the assessment made during the year, the investment in subsidiary undertakings is not considered to be impaired, refer to note 11.

##### ***Impairment of related party loans & receivables***

The recoverability of related party receivables are assessed based on factors specific to each individual receivable. Based on the assessment made during the year related party receivables are considered to be impaired, refer to note 12 and 13.

## **Ribbon Hotels Management Limited**

### **Notes to the Financial Statements**

*For the year ended 31 December 2022 (continued)*

#### **4 Other gains and losses**

The analysis of the company's other gains and losses for the year is as follows:

	<b>2022</b>	<b>2021</b>
	<b>£ 000</b>	<b>£ 000</b>
Loss on impairment of related party receivables	<u>(16)</u>	<u>(17)</u>

#### **5 Operating loss**

The company had no employees and incurred no staff costs in the current or prior period.

#### **6 Finance income**

	<b>2022</b>	<b>2021</b>
	<b>£ 000</b>	<b>£ 000</b>
Interest income from related parties	199	199
Other finance income	<u>-</u>	<u>7</u>
	<u>199</u>	<u>206</u>

#### **7 Finance costs**

	<b>2022</b>	<b>2021</b>
	<b>£ 000</b>	<b>£ 000</b>
Other finance costs	<u>-</u>	<u>90</u>

#### **8 Directors' remuneration**

The directors received no emoluments or benefits from the company for their services in the current or prior period.

#### **9 Auditors' remuneration**

Auditor's remuneration of £4,100 (2021: £4,408) has been borne by a fellow group undertaking in the current and prior year. The prior year audit fees relates to the company's previous auditors BDO LLP.

## Ribbon Hotels Management Limited

### Notes to the Financial Statements

For the year ended 31 December 2022 (continued)

#### 10 Income tax

##### *Factors affecting current tax charge for the period*

The tax on profit before tax for the year on ordinary activities is lower than the standard rate of corporation tax in the UK (2021: lower than the standard rate of corporation tax in the UK) of 19% (2021: 19%).

The differences are reconciled below:

	2022 £ 000	2021 £ 000
Profit before tax	183	97
Corporation tax at standard rate	35	18
<i>Effects of:</i>		
Expenses not deductible for tax purposes	3	-
Group relief not recognised	(38)	(18)
<b>Total tax charge/(credit)</b>	<b>-</b>	<b>-</b>

##### *Factors affecting the tax charge in future years*

The standard rate of corporation in the UK was changed from 20% to 19% with effect from 1 April 2017. In the 2016 Budget, the government announced a further reduction in the rate to 17% for the financial year beginning from 1 April 2020. This reduction was overturned by legislation passed in March 2020 with the effect that the corporation tax rate remained at 19%.

In its 2021 Budget, the government announced an increase in the standard rate of corporation tax from 19% to 25%, taking effect from 1 April 2023.

#### 11 Investments

Subsidiaries	£ 000
<b>Cost</b>	
At 1 January 2022	116,145
<b>At 31 December 2022</b>	<b>116,145</b>
<b>Net book value</b>	
<b>At 31 December 2022</b>	<b>116,145</b>

Details of the subsidiaries as at 31 December 2022 are as follows:

## Ribbon Hotels Management Limited

### Notes to the Financial Statements

For the year ended 31 December 2022 (continued)

#### 11 Investments (continued)

Name of subsidiary	Principal activity	Ownership interest in ordinary shares (%)	
		2022	2021
Ribbon Holdco Limited*	Investment	100%	100%
Ribbon Mezzco Limited	Investment	100%	100%
Ribbon Midco Limited	Investment	100%	100%
Ribbon Bidco Limited	Investment	100%	100%
Ribbon Acquisition Limited	Investment	100%	100%
Goldie Hotels (1) Limited*	Non-trading	100%	100%
Ribbon Birmingham Limited	Investment	100%	100%
Ribbon Heathrow Limited	Investment	100%	100%
Ribbon Manchester Airport Limited	Investment	100%	100%
Ribbon Basildon Limited	Investment	100%	100%
Ribbon Brentwood Limited	Investment	100%	100%
Ribbon Cambridge Limited	Investment	100%	100%
Ribbon Cardiff Limited	Investment	100%	100%
Ribbon Bristol Limited	Investment	100%	100%
Ribbon Edinburgh Limited	Investment	100%	100%
Ribbon Glasgow Airport Limited	Investment	100%	100%
Ribbon Guildford Limited	Investment	100%	100%
Ribbon Brent Cross Limited	Investment	100%	100%
Ribbon Maidenhead Limited	Investment	100%	100%
Ribbon Milton Keynes Limited	Investment	100%	100%
Ribbon Regents Park Limited	Investment	100%	100%
Ribbon Oxford Limited	Investment	100%	100%
Ribbon Sutton Limited	Investment	100%	100%
Ribbon Heathrow M4 J4 Limited	Investment	100%	100%
R. Heathrow Propco Limited	Property investment	100%	100%
R. Birmingham Propco Limited	Property investment	100%	100%
R. Manchester Propco Limited	Property investment	100%	100%
R. Brentwood Propco Limited	Property investment	100%	100%
R. Basildon Propco Limited	Property investment	100%	100%
R. Cambridge Propco Limited	Property investment	100%	100%
R. Bristol Propco Limited	Property investment	100%	100%
R. Cardiff Propco Limited	Property investment	100%	100%
R. Edinburgh Propco Limited	Property investment	100%	100%
R. Brent Cross Propco Limited	Property investment	100%	100%
R. Glasgow Propco Limited	Property investment	100%	100%

## Ribbon Hotels Management Limited

### Notes to the Financial Statements

For the year ended 31 December 2022 (continued)

#### 11 Investments (continued)

Name of subsidiary	Principal activity	Ownership interest in ordinary shares (%)	
		2022	2021
R. Guildford Propco Limited	Property investment	100%	100%
R. Heathrow M4 J4 Propco Limited	Property investment	100%	100%
R. Regents Park Propco Limited	Property investment	100%	100%
R. Sutton Propco Limited	Property investment	100%	100%
R. Maidenhead Propco Limited	Property investment	100%	100%
R. Milton Keynes Propco Limited	Property investment	100%	100%
R. Oxford Propco Limited	Property investment	100%	100%

\* indicates direct investment by the company.

All of the investment and non-trading subsidiaries listed above have a registered office at Holiday Inn London Heathrow M4 J4, Sipson Road, West Drayton, UB7 0JU, United Kingdom. All property subsidiaries have a registered office of 22 Grenville Street, St Helier, JE4 8PX, Jersey.

#### 12 Other financial assets

	2022 £ 000	2021 £ 000
<b>Non-current financial assets</b>		
Loans to related parties	<u>1,617</u>	<u>1,418</u>

On 31 December 2019, the company issued a loan to a parent entity of £3.6m. Repayment of the principal and interest is due at the maturity of a three-year term. The loan carries interest at 5.5%. Accrued interest of £598,070 (2021: £398,713) was included in non-current other financial assets in the current year and prior year. As at 31 December 2022 the loan was impaired by £2.6m (2021: £2.6m)

## Ribbon Hotels Management Limited

### Notes to the Financial Statements

For the year ended 31 December 2022 (continued)

#### 13 Trade and other receivables

	2022 £ 000	2021 £ 000
Other receivables	-	12,338
Receivables from related parties	25,672	25,672
VAT asset	-	16
	<u>25,672</u>	<u>38,026</u>

The receivables from related parties are recoverable on demand, bear no interest and include an expected credit loss of £40,858 (2021: £24,701).

#### 14 Share capital

Allotted, called up and fully paid shares

	2022		2021	
	No. 000	£ 000	No. 000	£ 000
Ordinary shares of £1 each	1,033	1,033	1,033	1,033
B Ordinary shares of £0.01 each	100	1.00	100	1.00
	<u>1,133</u>	<u>1,034</u>	<u>1,133</u>	<u>1,034</u>

#### 15 Reserves

	2022 £ 000	2021 £ 000
Other reserves		
Capital contribution	12,800	12,800
	<u>12,800</u>	<u>12,800</u>

The company's parent entity made a capital contribution of £12.8m on 9 April 2021.

## **Ribbon Hotels Management Limited**

### **Notes to the Financial Statements**

*For the year ended 31 December 2022 (continued)*

#### **16 Trade and other payables**

	<b>2022</b>	<b>2021</b>
	<b>£ 000</b>	<b>£ 000</b>
Payables to related parties	<u>30,388</u>	<u>42,726</u>

The payables to related parties bear no interest and are repayable on demand.

#### **17 Parent and ultimate parent undertaking**

The company's immediate parent is UK Investment Company 210 Limited, a company incorporated in the United Kingdom. Its registered address is Holiday Inn London Heathrow M4 J4, Sipson Road, West Drayton, UB7 0JU, United Kingdom. The ultimate controlling party is Turanco Investment Limited, a company incorporated in Cyprus.

The largest group to consolidate these financial statements is Turanco Investment Limited. The consolidated financial statements of Turanco Investment Limited for the year ended 31 December 2022 are available to the public and may be obtained from the principal place of business, Vyzantiou 30, Office 31, Strovolos, 2064, Nicosia, Cyprus.

The smallest group to consolidate these financial statements is Vivion Investments Sarl. The consolidated financial statements of Vivion Investments Sarl for the year ended 31 December 2022 are available to the public and may be obtained from the registered office 155 rue Cents, L-1319, Luxembourg.