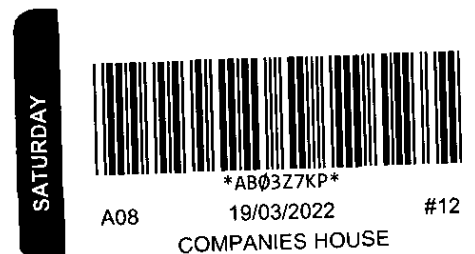


**DAPE SERVICES LIMITED**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**



# DAPE SERVICES LIMITED

## COMPANY INFORMATION

---

<b>Directors</b>	Mr D Taljaard Mr I M Livingstone
<b>Company number</b>	11090721
<b>Registered office</b>	Quadrant House, Floor 6 4 Thomas More Square London E1W 1YW
<b>Accountants</b>	PricewaterhouseCoopers LLP 1 Embankment Place London WC2N 6RH

---

# DAPE SERVICES LIMITED

## CONTENTS

---

	Page
Strategic report	1
Directors' report	2
Statement of comprehensive income	3
Balance sheet	4
Statement of changes in equity	5
Notes to the financial statements	6 - 10

---

# DAPE SERVICES LIMITED

## STRATEGIC REPORT

**FOR THE YEAR ENDED 31 DECEMBER 2020**

---

The directors present the strategic report for the year ended 31 December 2020.

### **Principal activity, review of the business and future developments**

The company was incorporated on 30 November 2017, and the principal activity of the company is developing artificial intelligence algorithms, with a view to driving effective yield management in hotels. The company made a net loss of £187,500 for the year ended 31 December 2020 (2019: net loss of £150), and had net liabilities of £522k as at 31 December 2020 (2019: net liabilities of £334k).

The development activities are currently on hold.

### **Principal risks and uncertainties**

The key risk to the business is whether the development expenditure will generate benefits to the wider group. Further discussion of the risks and uncertainties, in the context of the group as a whole, are discussed in the company's ultimate parent's group annual report which does not form part of this report.

### **Financial risk management**

The company's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. Further discussion of the financial risk management objectives and policies, in the context of the group as a whole, are discussed in the company's ultimate parent's group annual report which does not form part of this report.

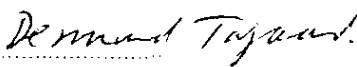
### **Key performance indicators**

The company is managed by the directors in accordance with the group strategies of its ultimate parent company, London and Regional Group Hotels Ltd, and for this reason, the directors believe that key performance indicators for the company are not necessary or appropriate for an understanding of the development, performance or position of the business. These strategies and key performance indicators are discussed in the company's ultimate parent's group annual report which does not form part of this report.

### **Going concern**

The directors believe that preparing the financial statements on a going concern basis is appropriate due to the continued financial support from its immediate parent undertaking, London and Regional Group Hotel Holdings Ltd. The directors have received confirmation that London and Regional Group Hotel Holdings Ltd intends to support the company for at least 12 months after these financial statements are signed

On behalf of the board

  
.....  
Mr D Taljaard  
Director  
07/03/2022

# DAPE SERVICES LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2020

---

The directors present their report and unaudited financial statements for the year ended 31 December 2020.

#### Directors

The directors who held office during the year and/or up to the date of signature of the financial statements were as follows:

Mr D Taljaard

Mr I M Livingstone

#### Results and dividends

The results for the year are set out on page 3

No ordinary dividends were paid during the year (2019 £nil). The directors do not recommend the payment of a final dividend.

The business review, financial risk management and going concern are included in the strategic report.

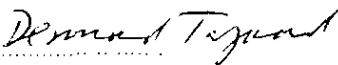
#### Qualifying third party indemnity provisions

The company has made qualifying third party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

#### Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the companies act 2006.

On behalf of the board



Mr D Taljaard

Director

07/03/2022

# DAPE SERVICES LIMITED

## STATEMENT OF COMPREHENSIVE INCOME

*FOR THE YEAR ENDED 31 DECEMBER 2020*

---

	Note	2020 £	2019 £
Administrative expenses		(187,500)	(150)
Operating loss		(187,500)	(150)
Loss on ordinary activities before taxation		(187,500)	(150)
Tax on loss on ordinary activities	4	-	-
Loss for the financial year		(187,500)	(150)
Other comprehensive income		-	-
Total comprehensive loss for the year		(187,500)	(150)

---

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

# DAPE SERVICES LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2020

---

	Note	2020 £	2019 £
Creditors: amounts falling due within one year	5	(521,931)	(334,431)
Net current liabilities		(521,931)	(334,431)
Net liabilities		(521,931)	(334,431)
Capital and reserves			
Called up share capital	6	1	1
Retained deficit		(521,932)	(334,432)
Total equity		(521,931)	(334,431)

---

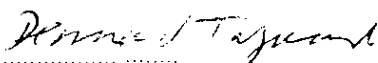
For the year ending 31 December 2020, the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A..

The financial statements were approved by the board of directors and authorised for issue on 07/01/2021 and are signed on its behalf by:



Mr D Taljaard  
Director

Company Registration No. 11090721

**DAPE SERVICES LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

	<b>Called up share capital £</b>	<b>Retained deficit £</b>	<b>Total £</b>
<b>Balance at 1 January 2019</b>	1	(334,282)	(334,281)
Total comprehensive loss for the financial year	-	(150)	(150)
<b>Balance at 31 December 2019</b>	1	(334,432)	(334,431)
Total comprehensive loss for the financial year	-	(187,500)	(187,500)
<b>Balance at 31 December 2020</b>	1	(521,932)	(521,931)



# DAPE SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 DECEMBER 2020**

---

### **1 Accounting policies**

#### **General information**

Dape Services Limited is a private company limited by shares incorporated in England and Wales. The registered office is Quadrant House, Floor 6, 4 Thomas More Square, London, E1W 1YW.

The principal activity of Dape Services Limited is the development of artificial intelligence algorithms, with a view to driving effective yield management in hotels.

#### **1.1 Statement of compliance**

These financial statements have been prepared in accordance with Section 1A of FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

#### **1.2 Basis of preparation and summary of significant accounting policies**

The financial statements have been prepared on a going concern basis and under the historical cost convention. The principal accounting policies adopted are set out below.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

#### **1.3 Exemptions for qualifying entities under FRS 102**

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to conditions.

As a qualifying entity, the company has taken advantage of the following exemptions:

- from the requirement to prepare a statement of cash flows as required by paragraph 3.17 (d) of FRS 102; and
- from the requirement to present financial instruments disclosures, as required by FRS 102 paragraphs 11.39 to 11.48A, paragraph 12.26 and 12.29.
- from the requirement to disclose transactions or balances with entities which form part of the group as required under section 33.1A of FRS 102.

#### **1.4 Going concern**

The directors believe that preparing the financial statements on a going concern basis is appropriate due to the continued financial support from its immediate parent undertaking, London and Regional Group Hotel Holdings Ltd. The directors have received confirmation that London and Regional Group Hotel Holdings Ltd intends to support the company for at least 12 months after these financial statements are signed.

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

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

# DAPE SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

---

#### 1 Accounting policies

##### 1.6 Financial Instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

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

Financial assets, other than those held at fair value through profit or loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

##### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

# DAPE SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

---

#### 1 Accounting policies

##### *Basic financial liabilities*

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### *Other financial liabilities*

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

##### *Derecognition of financial liabilities*

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

#### 1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

#### 2 Critical accounting judgements and estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

##### a) Critical judgements in applying the entity's accounting policies

The directors have not applied any judgements in applying the company's accounting policies.

##### b) Critical accounting estimates and assumptions

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

##### Key sources of estimation uncertainty

The directors do not consider there to be any significant estimates or judgements that will affect the performance and position of the company in the coming year.

# DAPE SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 2 Critical accounting judgements and estimation uncertainty

#### 3 Directors' remuneration

The directors did not receive any emoluments in respect of their services to the company (2019: £nil). The company has no employees other than the directors.

#### 4 Tax on loss

No tax is chargeable (2019: £nil) due to there being no taxable profits in the year.

The actual result for the year can be reconciled to the expected credit for the year based on the profit or loss and the standard rate of tax as follows:

	Year ended 31 December 2020 £	Year ended 31 December 2019 £
Loss before taxation	(187,500)	(150)
Expected tax credit based on the standard rate of corporation tax in the UK of 19% (2019: 19%)	(35,625)	(29)
Surrender of tax losses	35,625	29
Tax result for the year	-	-

The company surrendered tax losses amounting to £35.6k (2019: £29) to fellow subsidiary undertakings without receiving any payment.

#### Factors which may affect future tax charges

In the Spring Budget 2020, the Government announced that from 1 April 2020 the corporation tax rate would remain at 19% (rather than reducing to 17%, as previously enacted). This new law was substantively enacted on 17 March 2020. As the proposal to keep the rate at 19% had not been substantively enacted at the balance sheet date, its effects are not included in these financial statements.

#### 5 Creditors: amounts falling due within one year

	2020 £	2019 £
Amounts owed to group undertakings	521,931	334,431

Amounts due to group undertakings are interest free, unsecured, and repayable on demand.

# DAPE SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

---

**6 Called up share capital**

	2020	2019
	£	£
Ordinary share capital		
Issued and fully paid		
1 ordinary share of £1 each	1	1
	<hr/>	<hr/>

**7 Related party transactions**

As the company is a wholly owned subsidiary of London and Regional Group Hotels Ltd, the company has taken advantage of the exemption under section 33.1A of FRS 102 from disclosing transactions or balances with entities which form part of the group.

**8 Controlling party**

The immediate parent undertaking is London and Regional Group Hotel Holdings Ltd, a company incorporated and registered in England and Wales.

The ultimate parent undertaking is London and Regional Group Hotels Ltd, a company incorporated in England and Wales.

London and Regional Group Hotel Holdings Ltd is the parent undertaking of the smallest group of undertakings to consolidate these financial statements as at 31 December 2020. London and Regional Group Hotels Ltd is the parent undertaking of the largest group of undertakings to consolidate these financial statements at 31 December 2020. The consolidated financial statements of London and Regional Group Hotel Holdings Ltd and London and Regional Group Hotels Ltd can be obtained from Quadrant House, Floor 6, 4 Thomas More Square, London E1W 1YW.

The ultimate controlling parties are I M Livingstone and R J Livingstone through their joint ownership of London and Regional Group Hotels Ltd.