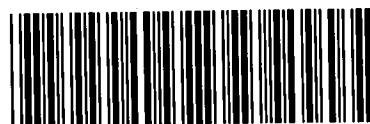


Company Registration No. 11104343 (England and Wales)

**BEST HOTEL DEANS GATE LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

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# BEST HOTEL DEANS GATE LIMITED

## COMPANY INFORMATION

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|                  |                       |                             |
|------------------|-----------------------|-----------------------------|
| <b>Directors</b> | Jean-Phillippe Blangy | (Appointed 12 October 2021) |
|                  | James Brodie          | (Appointed 12 October 2021) |
|                  | Gerardus Schipper     | (Resigned 12 October 2021)  |
|                  | Raoul Hofland         | (Resigned 12 October 2021)  |
|                  | Paul Lewis            | (Resigned 31 March 2021)    |

|                       |          |
|-----------------------|----------|
| <b>Company number</b> | 11104343 |
|-----------------------|----------|

|                          |   |
|--------------------------|---|
| <b>Registered office</b> | Berkley Square House<br>8th Floor<br>Berkeley Square<br>London<br>United Kingdom<br>W1J 6DB |
|--------------------------|---|

|                |  |
|----------------|--|
| <b>Auditor</b> | Haysmacintyre LLP<br>10 Queen Street Place<br>London<br>EC4R 1AG |
|----------------|--|

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# **BEST HOTEL DEANSGATE LIMITED**

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# BEST HOTEL DEANS GATE LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2021

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The directors present their annual report and financial statements for the year ended 31 December 2021.

#### Principal activities

The Company was incorporated on 8 December 2017 and acquired a property in central Manchester in January 2018, which opened on 17 May 2021 following the practical completion of the construction works. On 3 November 2021 the hotel was successfully rebranded as a Yotel hotel.

#### Directors

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

|                       |                             |
|-----------------------|-----------------------------|
| Jean-Phillippe Blangy | (Appointed 12 October 2021) |
| James Brodie          | (Appointed 12 October 2021) |
| Gerardus Schipper     | (Resigned 12 October 2021)  |
| Raoul Hofland         | (Resigned 12 October 2021)  |
| Paul Lewis            | (Resigned 31 March 2021)    |

#### Auditor

The auditors, Haysmccintyre LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

#### Statement of directors' responsibilities

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 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 then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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.

#### Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

# **BEST HOTEL DEANS GATE LIMITED**

## **DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

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### **Going concern**

The financial statements have been prepared on a going concern basis. During the year the Company made a loss after tax of £4,370,601. The directors have considered the principal risks and uncertainties that apply to the business and believe that it is appropriate to prepare the accounts on this basis. As part of their review, the directors have undertaken a full review of the company's projected cash flows for a period of twelve months from the date of signing these financial statements.

The directors have considered the cash flow forecasts and note that forecast trading would have to fall significantly below expectation and that being achieved before any additional funding is required.

Therefore the directors have prepared the accounts on a going concern basis and the accounts do not include any adjustments that may result from the entity being unable to continue as a going concern.

### **Small companies exemption**

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption provided by section 415A of the Companies Act 2006.

On behalf of the board

*Jean Philippe Blangy*

.....  
Jean-Philippe Blangy  
Director

*James Brodie*

.....  
James Brodie  
Director

Date: 16 December 2022

# BEST HOTEL DEANSGATE LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBER OF BEST HOTEL DEANSGATE LIMITED

---

#### Opinion

We have audited the financial statements of Best Hotel Deansgate Limited (the 'company') for the year ended 31 December 2021 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 company's affairs as at 31 December 2021 and of its 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 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.

#### 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 this gives rise to 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 our 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 has been prepared in accordance with applicable legal requirements.

# BEST HOTEL DEANSGATE LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBER OF BEST HOTEL DEANSGATE LIMITED

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#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the 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, 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 directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

#### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, 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.

#### **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.

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

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to revenue and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- inspecting correspondence with regulators and tax authorities;
- discussion with management, review of board minutes and review of the Food Standards Agency website;
- evaluating management's controls designed to prevent and detect irregularities;
- identifying and testing journals, in particular journal entries posted with large values versus averages, descriptions and amounts; and
- challenging assumptions and judgements made by management in their critical accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

# **BEST HOTEL DEANS GATE LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBER OF BEST HOTEL DEANS GATE LIMITED**

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A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### **Use of our report**

This report is made solely to the company's member in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's member those matters we are required to state to the member in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's member for our audit work, for this report, or for the opinions we have formed.

*Emma Bernardez*

**Emma Bernardez (Senior Statutory Auditor)**  
**For and on behalf of Haysmacintyre LLP**

**Date: 16 December 2022**

**Chartered Accountants**  
**Statutory Auditor**

**10 Queen Street Place**  
**London**  
**EC4R 1AG**



# BEST HOTEL DEANSGATE LIMITED

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2021

|  | Notes | 2021<br>£          | 2020<br>£          |
|--|-------|--------------------|--------------------|
| Turnover                                       |       | 3,614,865          | -                  |
| Cost of sales                                  |       | (370,704)          | (26,985)           |
| <b>Gross profit/(loss)</b>                     |       | <b>3,244,161</b>   | <b>(26,985)</b>    |
| Administrative expenses                        |       | (5,735,058)        | (475,845)          |
| Other operating income                         |       | 11,819             | -                  |
| <b>Operating loss</b>                          |       | <b>(2,479,078)</b> | <b>(502,830)</b>   |
| Interest receivable and similar income         |       | 78,500             | -                  |
| Interest payable and similar expenses          |       | (1,970,023)        | (1,216,384)        |
| Amounts written off investments                | 3     | -                  | (45,000)           |
| <b>Loss before taxation</b>                    |       | <b>(4,370,601)</b> | <b>(1,764,214)</b> |
| Tax on loss                                    |       | -                  | -                  |
| <b>Loss for the financial year</b>             |       | <b>(4,370,601)</b> | <b>(1,764,214)</b> |
| <b>Other comprehensive income</b>              |       |                    |                    |
| Revaluation of tangible fixed assets           |       | 1,552,396          | -                  |
| Tax relating to other comprehensive income     |       | (1,918,378)        | -                  |
| <b>Total comprehensive income for the year</b> |       | <b>(4,736,583)</b> | <b>(1,764,214)</b> |

# BEST HOTEL DEANSgate LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2021

|  | Notes | 2021<br>£                 | £                | 2020<br>£             | £                |
|--|-------|---------------------------|------------------|-----------------------|------------------|
| <b>Fixed assets</b>  |       |                           |                  |                       |                  |
| Tangible assets  | 4     | 39,993,816                |                  | 33,725,845            |                  |
| Investment properties  | 5     | 2,205,000                 |                  | 2,205,000             |                  |
|  |       | <u>42,198,816</u>         |                  | <u>35,930,845</u>     |                  |
| <b>Current assets</b>  |       |                           |                  |                       |                  |
| Stocks   |       | 30,486                    |                  | -                     |                  |
| Debtors  | 6     | 399,261                   |                  | 657,241               |                  |
| Cash at bank and in hand                                       |       | 2,478,546                 |                  | 477,261               |                  |
|  |       | <u>2,908,293</u>          |                  | <u>1,134,502</u>      |                  |
| <b>Creditors: amounts falling due within one year</b>          | 7     | <u>(3,231,413)</u>        |                  | <u>(1,317,130)</u>    |                  |
| <b>Net current liabilities</b>                                 |       |                           | <u>(323,120)</u> |                       | <u>(182,628)</u> |
| <b>Total assets less current liabilities</b>                   |       | <u>41,875,696</u>         |                  | <u>35,748,217</u>     |                  |
| <b>Creditors: amounts falling due after more than one year</b> | 8     | (42,698,411)              |                  | (35,393,705)          |                  |
| <b>Provisions for liabilities</b>                              |       | <u>(1,918,378)</u>        |                  | <u>-</u>              |                  |
| <b>Net (liabilities)/assets</b>                                |       | <u><u>(2,741,093)</u></u> |                  | <u><u>354,512</u></u> |                  |
| <b>Capital and reserves</b>                                    |       |                           |                  |                       |                  |
| Called up share capital  |       | 10                        |                  | 10                    |                  |
| Other reserve  |       | (365,982)                 |                  | (490,978)             |                  |
| Capital contribution reserve                                   |       | 6,177,247                 |                  | 5,027,247             |                  |
| Profit and loss reserves                                       |       | <u>(8,552,368)</u>        |                  | <u>(4,181,767)</u>    |                  |
| <b>Total equity</b>  |       | <u><u>(2,741,093)</u></u> |                  | <u><u>354,512</u></u> |                  |

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 16 December 2022 and are signed on its behalf by:

*Jean Philippe Blangy*

Jean-Phillippe Blangy  
Director

*James Brodie*

James Brodie  
Director

Company Registration No. 11104343

# BEST HOTEL DEANSGATE LIMITED

## STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2021

|  | Share<br>capital | Other<br>reserve | Capital<br>contribution<br>reserve | Profit and<br>loss<br>reserves | Total       |
|--|------------------|------------------|------------------------------------|--------------------------------|-------------|
|  | £                | £                | £                                  | £                              | £           |
| <b>Balance at 1 January 2020</b>                 | 10               | (445,978)        | 4,543,760                          | (2,462,553)                    | 1,635,239   |
| <b>Year ended 31 December 2020:</b>              |                  |                  |                                    |                                |             |
| Loss and total comprehensive income for the year | -                | -                | -                                  | (1,764,214)                    | (1,764,214) |
| Transfers  | -                | (45,000)         | -                                  | 45,000                         | -           |
| Capital contribution                             | -                | -                | 483,487                            | -                              | 483,487     |
| <b>Balance at 31 December 2020</b>               | 10               | (490,978)        | 5,027,247                          | (4,181,767)                    | 354,512     |
| <b>Year ended 31 December 2021:</b>              |                  |                  |                                    |                                |             |
| Loss for the year                                | -                | -                | -                                  | (4,370,601)                    | (4,370,601) |
| Other comprehensive income:                      |                  |                  |                                    |                                |             |
| Revaluation of tangible fixed assets             | -                | 1,552,396        | -                                  | -                              | 1,552,396   |
| Tax relating to other comprehensive income       | -                | (1,918,378)      | -                                  | -                              | (1,918,378) |
| Total comprehensive income for the year          | -                | (365,982)        | -                                  | (4,370,601)                    | (4,736,583) |
| Other movement / capital contribution            | -                | 490,978          | 1,150,000                          | -                              | 1,640,978   |
| <b>Balance at 31 December 2021</b>               | 10               | (365,982)        | 6,177,247                          | (8,552,368)                    | (2,741,093) |

# **BEST HOTEL DEANSGATE LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

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### **1 Accounting policies**

#### **Company information**

Best Hotel Deansgate Limited is a private company limited by shares incorporated in England and Wales. The registered office is Berkley Square House, 8th Floor, Berkeley Square, London, United Kingdom, W1J 6DB. The company's trading address is 2 John Dalton St, Manchester, M3 2NW.

#### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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 financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.*

#### **1.2 Going concern**

The financial statements have been prepared on a going concern basis. During the year the Company made a loss after tax of £4,370,601. The directors have considered the principal risks and uncertainties that apply to the business and believe that it is appropriate to prepare the accounts on this basis. As part of their review, the directors have undertaken a full review of the company's projected cash flows for a period of twelve months from the date of signing these financial statements.

The directors have considered the cash flow forecasts and note that forecast trading would have to fall significantly below expectation and that being achieved before any additional funding is required.

Therefore the directors have prepared the accounts on a going concern basis and the accounts do not include any adjustments that may result from the entity being unable to continue as a going concern.

#### **1.3 Turnover**

Turnover which is stated net of value added tax, represents amounts receivable from the provision of goods and services which fall within the company's principal activity of hotel operations.

All turnover arose in the United Kingdom.

#### **Sale of goods**

The company operates restaurants and bars at the hotel. Sales of goods are recognised when the restaurant and bars sell a product to a customer.

#### **Sale of services**

The company supplies conference and event facilities as well as hotel rooms to businesses and private customers. Sales of rooms and conference and event facilities are recognised on the dates those facilities are used. Deposits received in advance are not recognised as turnover until the date of the stay or event.

#### **1.4 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

# BEST HOTEL DEANS\_GATE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 1 Accounting policies

(Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

|                             |          |
|-----------------------------|----------|
| Freehold land and buildings | 50 years |
| Fixtures and fittings       | 10 years |

Freehold land and assets in the course of construction are not depreciated.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### 1.5 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. Changes in fair value are recognised in profit or loss.

#### 1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

#### 1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

#### 1.8 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.

#### 1.9 Taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

# BEST HOTEL DEANS GATE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 1 Accounting policies

(Continued)

##### **Current tax**

The current income 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 Company operates and generates income.

##### **Deferred tax**

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

#### 1.10 Employee benefits

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

#### 1.11 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

#### 1.12 Creditors

Short-term creditors are measured at transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

#### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

|       | 2021<br>Number | 2020<br>Number |
|-------|----------------|----------------|
| Total | 91             | 1              |

# BEST HOTEL DEANS\_GATE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 3 Amounts written off investments

|  | 2021 | 2020     |
|--|------|----------|
|  | £    | £        |
| <b>Fair value gains/(losses)</b>                   |      |          |
| Changes in the fair value of investment properties | -    | (45,000) |

### 4 Tangible fixed assets

|                                    | Freehold land<br>and buildings | Assets under<br>construction | Fixtures and<br>fittings | Total      |
|------------------------------------|--------------------------------|------------------------------|--------------------------|------------|
|                                    | £                              | £                            | £                        | £          |
| <b>Cost</b>                        |                                |                              |                          |            |
| At 1 January 2021                  | -                              | 33,725,845                   | -                        | 33,725,845 |
| Additions                          | -                              | 6,498,528                    | -                        | 6,498,528  |
| Revaluation                        | 1,552,396                      | -                            | -                        | 1,552,396  |
| Transfers                          | 23,852,414                     | (39,978,272)                 | 16,125,858               | -          |
| At 31 December 2021                | 25,404,810                     | 246,101                      | 16,125,858               | 41,776,769 |
| <b>Depreciation and impairment</b> |                                |                              |                          |            |
| At 1 January 2021                  | -                              | -                            | -                        | -          |
| Depreciation charged in the year   | 170,368                        | -                            | 1,612,585                | 1,782,953  |
| At 31 December 2021                | 170,368                        | -                            | 1,612,585                | 1,782,953  |
| <b>Carrying amount</b>             |                                |                              |                          |            |
| At 31 December 2021                | 25,234,442                     | 246,101                      | 14,513,273               | 39,993,816 |
| At 31 December 2020                | -                              | 33,725,845                   | -                        | 33,725,845 |

### 5 Investment property

|  | 2021      |
|--|-----------|
|  | £         |
| <b>Fair value</b>                      |           |
| At 1 January 2021 and 31 December 2021 | 2,205,000 |

The valuations were made by the directors, on an open market value for existing use basis.

### 6 Debtors

|   | 2021    | 2020    |
|---|---------|---------|
|   | £       | £       |
| <b>Amounts falling due within one year:</b> |         |         |
| Trade debtors                               | 5,994   | -       |
| Other debtors                               | 184,437 | 657,241 |
| Prepayments and accrued income              | 208,830 | -       |
|   | 399,261 | 657,241 |

# BEST HOTEL DEANSGATE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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

|                                    | 2021<br>£        | 2020<br>£        |
|------------------------------------|------------------|------------------|
| Bank loans                         | -                | 206,134          |
| Other borrowings                   | 2,758            | -                |
| Trade creditors                    | 489,293          | 695,736          |
| Amounts owed to group undertakings | 1,800,000        | -                |
| Taxation and social security       | 59,009           | 8,101            |
| Other creditors                    | 39,831           | 369,524          |
| Accruals and deferred income       | 840,522          | 37,635           |
|                                    | <u>3,231,413</u> | <u>1,317,130</u> |

### 8 Creditors: amounts falling due after more than one year

|                           | Notes | 2021<br>£         | 2020<br>£         |
|---------------------------|-------|-------------------|-------------------|
| Bank loans and overdrafts |       | -                 | 22,665,301        |
| Other borrowings          |       | 42,698,411        | 12,728,404        |
|                           |       | <u>42,698,411</u> | <u>35,393,705</u> |

Other loans comprise of shareholder loans that were owed by Best Hotel Deansgate Limited to EPISO 5 Best Holding SARL as at 31 December 2021:

|                               |             |
|-------------------------------|-------------|
| IBL Bridge Debt (Fixed 3.5%)  | £24,800,000 |
| IBL Regular Debt (Fixed 3.5%) | £8,200,000  |
| Intercompany loan             | £8,976,813  |
| NWC loan (Nov 2021)           | £347,000    |

### 9 Capital commitments

Amounts contracted for but not provided in the financial statements:

|                                      | 2021<br>£ | 2020<br>£ |
|--------------------------------------|-----------|-----------|
| Acquisition of tangible fixed assets | -         | 5,285,097 |

### 10 Events after the reporting date

The Company has secured a £23m four year facility from the Clydesdale Bank Plc (the "Facility"), in order to strengthen its balance sheet and provide additional working capital support.

The Company has drawn down this facility and carries interest at an aggregate of a margin rate and SONIA rate for the day.



# **BEST HOTEL DEANS GATE LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

***FOR THE YEAR ENDED 31 DECEMBER 2021***

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### **11 Related party transactions**

The Company has taken advantage of exemptions from disclosing transactions with related companies under the provisions of Section 33 of Financial Reporting Standard 102.

### **12 Parent company**

The directors consider EPISO 5 Best Holding S.A.R.L, a company incorporated in Luxembourg, to be the controlling party.