

GP Hotel Forum Propco Limited

Annual Report and Financial Statements Year Ended 31 December 2022

Registration number: 00483582

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GP Hotel Forum Propco Limited

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GP Hotel Forum Propco Limited

Company Information

Directors	Meardey Roeun Leonard Chuan Yuan Liu
Registered office	Sigma House Oak View Close Edginswell Park Torquay United Kingdom TQ2 7FF
Auditors	PKF Francis Clark Chartered Accountants and Statutory Auditor Ground Floor 90 Victoria Street Redcliffe Bristol United Kingdom BS1 6DP

GP Hotel Forum Propco Limited

Strategic Report for the Year Ended 31 December 2022

The directors present their strategic report for the year ended 31 December 2022.

Principal activity

The principal activity of the company is the ownership of the freehold building for the Kensington Forum Hotel.

The ultimate Parent of the UK Group is GP Hotel-UK London Limited. Any reference to the Group hereafter relates to GP Hotel-UK London Limited and its subsidiaries.

Fair review of the business

On 1 December 2015 the Company transferred its trade, assets (excluding its freehold interest in the hotel) and remaining liabilities at market value to GP Hotel Forum Opco Limited.

The Company continues to lease the Kensington Forum Hotel based in London, to GP Hotel Forum Opco Limited. The lease term remaining is 243 years.

During 2021, the company took a loan facility of £245m with United Overseas Bank Limited. On 30 September 2022 the loan was converted into a \$275,208,500 (USD) loan. The company has a further £74,375,700 renovation loan facility available to it.

Key performance indicators

The Company's turnover in 2022 was £3,998k (2021: £3,998k).

The Statement of Financial Position shows the Company's position in net asset terms increased compared with the prior year to £369,523k (2021: £355,510k).

Principal risks and uncertainties

In early 2022, the hotel was closed to undergo renovation. The renovation is expected to be completed throughout 2024. During the renovation period, the major funding will be from bank loans and support from the ultimate owner. The ultimate owner has committed to finance the shortfall faced by the company for the next year. Barring any unforeseen situation, management aim to reopen the hotel with a new look in 2025. Currently, management are adopting several approaches to prepare for the hotel reopening. The two main approaches taken are to rebrand the hotel by targeting consumers from corporate and mid to high-end leisure consumer groups and to leverage on technology to provide consumers with a better staying environment and to minimise the overall operation cost. With these strategies, management is confident that the hotel will be able to reach 80% occupancy rate.

Cashflows

The Company has full support from its investors and has an agreement to support future cashflow under renovation period.

Future developments

In February 2022, the hotel closed temporarily for renovation works and the directors look forward to its reopening as soon as possible.

Please see the Directors' report on page 4 for details of the Company's going concern status.

GP Hotel Forum Propco Limited

Strategic Report for the Year Ended 31 December 2022 (continued)

Approved and authorised by the Board on 19.1.2023 and signed on its behalf by:

Leonard Liu.
Leonard Chuan Yuan Liu
Director

GP Hotel Forum Propco 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.

Directors of the company

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

Meardey Roeun (appointed 18 March 2022)

Leonard Chuan Yuan Liu (appointed 18 March 2022)

Wee Meng Koh (resigned 18 March 2022)

Periakaruppan Aravindan (resigned 18 March 2022)

The Company has indemnified its current Directors. The indemnity arrangements are qualifying indemnity provisions under the Companies Act 2006 and are currently in force at the date of this Report.

Going concern

The Company and the Group are party to cross guarantees with other entities within the Group for financing facilities and the cashflow generation of the Group is key in meeting the covenant tests. *Although the Company only holds part of the debt within its Statement of Financial Position, the terms of the debt within the cross guarantee group are binding on the Company and so it is the financing group position that must be considered when assessing the appropriate basis of preparation of these financial statements.* The Company has taken up a new loan facility with provider United Overseas Bank Limited with a new facility of £245m (Now \$275.2m USD).

Kensington Forum Hotel ceased its hotel operations in February 2022 and closed for major renovation works. The renovation works will be financed from external lender United Overseas Bank Limited with a renovation loan facility of £74.4m.

The working capital of the Company will be financed by the current bank balances, bank financing and strong support from shareholders of the company. The group is able to complete the renovation work in 2025. The expected occupation rate will be 80%.

With the expectation of the hotel reopening in Year 2025, the directors are optimistic with the company performance and expect to report profit with the newly renovated hotel.

With the strong support of the Group's lenders and its shareholders, the expectation of the Directors is that they will be able to continue to trade and meet liabilities as they fall due over a period of at least 12 months from the date of approval of these financial statements. A letter of financial support has been obtained from the ultimate beneficiary owner.

Results and dividends

The Company made a profit before taxation of £17,964k (2021: profit of £3,077k).

The Directors do not propose a dividend for the year (2021: £nil).

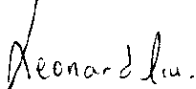
GP Hotel Forum Propco Limited

Directors' Report for the Year Ended 31 December 2022 (continued)

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 auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Approved and authorised by the Board on 19 Jan 2023 and signed on its behalf by:



.....
Leonard Chuan Yuan Liu
Director

GP Hotel Forum Propco 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 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;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate or cease operations, or have no realistic alternative but to do so.

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.

GP Hotel Forum Propco Limited

Independent Auditor's Report to the Members of GP Hotel Forum Propco Limited

Opinion

We have audited the financial statements of GP Hotel Forum Propco Limited (the 'company') for the year ended 31 December 2022, which comprise the Statement of Comprehensive Income, 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 Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the 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 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 director's 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 original financial statements were authorised for issue.

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

Other information

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

GP Hotel Forum Propco Limited

Independent Auditor's Report to the Members of GP Hotel Forum Propco Limited (continued)

Opinion on other matter prescribed by the Companies Act 2006

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

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Director's 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.

Responsibilities of directors

As explained more fully in the Statement of Directors Responsibilities, 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.

GP Hotel Forum Propco Limited

Independent Auditor's Report to the Members of GP Hotel Forum Propco 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the Company and the industry in which they operate, and considered the risk of acts by the Company which were contrary to applicable laws and regulations, including fraud. These included but were not limited to compliance with the Companies Act 2006, the accounting standards and relevant tax legislation.

We focused on laws and regulations that could give rise to a material misstatement in the financial statements. Our tests included but were not limited to:

- agreement of the financial statement disclosures to underlying supporting documentation; and
- enquiries of management regarding instances of non-compliance of applicable laws and regulations.

We assessed the susceptibility of the financial statements to material misstatement including fraud and identified the risk of fraud as a result of management override.

We designed audit procedures to respond to the risks which included, but were not limited to:

- journal entry testing which met certain criteria for any indication of management override of controls and evaluating whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

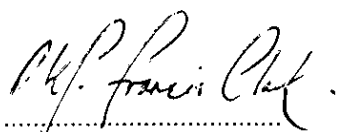
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

GP Hotel Forum Propco Limited

Independent Auditor's Report to the Members of GP Hotel Forum Propco Limited (continued)

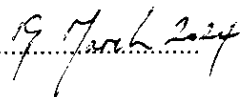
Use of our report

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



Paul Putnam (Senior Statutory Auditor)
For and on behalf of PKF Francis Clark, Statutory Auditor

Ground Floor
90 Victoria Street
Redcliffe
Bristol
United Kingdom
BS1 6DP

Date: 

GP Hotel Forum Propco Limited

Statement of Comprehensive Income

Year Ended 31 December 2022

	Note	2022 £ 000	2021 £ 000
Turnover	4	<u>3,998</u>	<u>3,998</u>
Gross profit		3,998	3,998
Administrative expenses		(32)	(16)
Other income	5	<u>23,582</u>	<u>-</u>
Operating profit		27,548	3,982
Interest payable and similar expenses	9	<u>(9,584)</u>	<u>(905)</u>
Profit before tax		17,964	3,077
Tax on profit	10	<u>(3,951)</u>	<u>123</u>
Profit for the financial year		<u>14,013</u>	<u>3,200</u>

The results above were derived wholly from continuing operations within the United Kingdom.

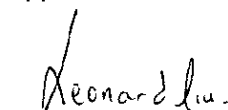
GP Hotel Forum Propco Limited

Statement of Financial Position

31 December 2022

	Note	2022 £ 000	2021 £ 000
Fixed assets			
Tangible assets	11	4,095	-
Current assets			
Debtors (including £616,490,000 (2021: £353,794,000) due after more than one year)	12	627,553	615,858
Cash at bank and in hand		18,389	-
		645,942	615,858
Creditors: Amounts falling due within one year	14	(280,513)	(250,456)
Net current assets		365,428	365,402
Total assets less current liabilities		369,523	365,402
Creditors: Amounts falling due after more than one year	14	-	(9,892)
Net assets		369,523	355,510
Capital and reserves			
Called up share capital	15	-	-
Share premium reserve	15	430	430
Profit and loss account	15	369,093	355,080
Shareholders' funds		369,523	355,510

Approved and authorised by the Board on 19 July 2024 and signed on its behalf by:



Leonard Chuan Yuan Liu
Director

Company Registration Number: 00483582

GP Hotel Forum Propco Limited

Statement of Changes in Equity

Year Ended 31 December 2022

	Share premium reserve £ 000	Profit and loss account £ 000	Total £ 000
At 1 January 2022	430	355,080	355,510
Profit for the year	-	14,013	14,013
Total comprehensive income	-	14,013	14,013
At 31 December 2022	430	369,093	369,523

	Share premium reserve £ 000	Profit and loss account £ 000	Total £ 000
At 1 January 2021	430	351,880	352,310
Profit for the year	-	3,200	3,200
Total comprehensive income	-	3,200	3,200
At 31 December 2021	430	355,080	355,510

GP Hotel Forum Propco Limited

Notes to the Financial Statements

Year Ended 31 December 2022

1 General information

The company is a private company limited by share capital, incorporated, domiciled and registered in United Kingdom.

The address of its registered office is:

Sigma House
Oak View Close
Edginswell Park
Torquay
United Kingdom
TQ2 7FF

2 Accounting policies

Basis of preparation

The financial statements have been prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom.

These financial statements were prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"). The presentation currency of these financial statements is pound sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

The Company's immediate parent undertaking is GP Hotel Forum Holdco Limited. The smallest and largest group for which results of the company are consolidated is the group headed by GP Hotel-UK London Limited. The consolidated financial statements of GP Hotel-UK London Limited are available to the public and may be obtained from Sigma House Oak View Close, Edginswell Park Torquay, TQ2 7FF.

In these financial statements, the Company is considered to be a qualifying entity (under FRS 102) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- reconciliation of the number of shares outstanding from the beginning to end of the year; and
- cash flow statement and related notes.

GP Hotel Forum Propco Limited

Notes to the Financial Statements

Year Ended 31 December 2022 (continued)

2 Accounting policies (continued)

As the consolidated financial statements of GP Hotel-UK London Limited include the disclosures equivalent to those required by FRS 102, the Company has also taken the exemptions available in respect of the following disclosures:

- certain disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all years presented in these financial statements.

Judgements made by the Directors that may have a significant effect on the financial statements are discussed in 'Critical Accounting estimates and judgements'.

Going concern

The Company and the Group are party to cross guarantees with other entities within the Group for financing facilities and the cashflow generation of the Group is key in meeting the covenant tests. Although the Company only holds part of the debt within its Statement of Financial Position, the terms of the debt within the cross guarantee group are binding on the Company and so it is the financing group position that must be considered when assessing the appropriate basis of preparation of these financial statements. The Company has taken up a new loan facility with provider United Overseas Bank Limited with a new facility of £245m (Now \$275.2m USD).

Kensington Forum Hotel ceased its hotel operations in February 2022 and closed for major renovation works. The renovation works will be financed from external lender United Overseas Bank Limited with a renovation loan of approximately £74.4m.

The working capital of the Company will be financed by the current bank balances, bank financing and strong support from shareholders of the company. The group is able to complete the renovation work in 2025. The expected occupation rate will be 80%.

With the expectation of the hotel reopening in Year 2025, the directors are optimistic with the company performance and expect to report profit with the newly renovated hotel.

With the strong support of the Group's lenders and its shareholders, the expectation of the Directors is that they will be able to continue to trade and meet liabilities as they fall due over a period of at least 12 months from the date of approval of these financial statements. A letter of financial support has been obtained from the ultimate beneficiary owner.

GP Hotel Forum Propco Limited

Notes to the Financial Statements

Year Ended 31 December 2022 (continued)

2 Accounting policies (continued)

Foreign currency

Transactions in foreign currencies are translated to the Company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the Statement of Financial Position date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the Statement of Comprehensive Income.

Financial instruments

Classification

The company holds the following financial instruments:

- Trade and other debtors and creditors;
- Interest bearing borrowings classified as basic financial instruments;
- Cash and cash equivalents; and
- Foreign exchange derivatives.

GP Hotel Forum Propco Limited

Notes to the Financial Statements

Year Ended 31 December 2022 (continued)

2 Accounting policies (continued)

Recognition and measurement

Trade and other debtors and creditors

Trade and other debtors are recognised initially at transaction price plus attributable transaction costs. Trade and other creditors are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for, example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate applicable to a similar debt instrument.

Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits.

Foreign exchange derivative

The Company has entered into a foreign exchange derivative to purchase US \$. The derivative is measured at its fair value with movements in fair value recognised as other finance or expense during the period.

Impairment

Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

GP Hotel Forum Propco Limited

Notes to the Financial Statements

Year Ended 31 December 2022 (continued)

2 Accounting policies (continued)

Turnover

Turnover comprises finance lease income. Minimum lease payments with respect to finance leases are apportioned between the finance income and the reduction of the outstanding asset using the rate implicit in the lease. The finance income is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the asset. Contingent rents are recognised as income in the periods in which they are charged.

Expenses

Interest receivable and Interest payable

Interest payable and similar charges include interest payable recognised in profit or loss using the effective interest method.

Interest receivable and similar income include interest receivable on finance leases recognised in profit or loss using the effective interest method.

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method.

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income except to the extent that it relates to items recognised directly in Equity or Other Comprehensive Income, in which case it is recognised directly in Equity or Other Comprehensive Income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the Statement of Financial Position date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the Statement of Financial Position date.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

GP Hotel Forum Propco Limited

Notes to the Financial Statements

Year Ended 31 December 2022 (continued)

3 Critical Accounting estimates and judgements

Amounts due from Group undertakings

The recoverability of amounts due from Group undertakings is assessed at each reporting date to determine whether there is evidence of impairment. Where there are indicators of impairment a bad debt provision is considered by the Directors.

Finance lease

Lease payments received are apportioned between the finance income and the reduction of the outstanding asset using the rate implicit in the lease. The finance income is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the assets.

Deferred tax

Under FRS 102, a deferred tax charge has been recognised in these accounts. This has been calculated on accelerated capital allowances in respect of the Company's fixed assets, taking into account the difference between the book value of these assets and the value of the assets for tax purposes. The tax rate applied is 25%, the rate substantively enacted at the reporting date for the date the liability is expected to crystallise.

GP Hotel Forum Propco Limited

Notes to the Financial Statements

Year Ended 31 December 2022 (continued)

4 Turnover

Turnover comprises finance lease income earned through the lease of the Kensington Forum Hotel based in London to GP Hotel Forum Opco Limited and receipt of minimum lease payments apportioned between the finance income and the reduction of the outstanding asset using the rate implicit in the lease.

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

	2022 £ 000	2021 £ 000
Finance lease income	<u>3,998</u>	<u>3,998</u>

5 Other income

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

	2022 £ 000	2021 £ 000
Gain on derivative financial instrument	6,665	-
Exchange rate gain	<u>16,917</u>	<u>-</u>
	<u>23,582</u>	<u>-</u>

6 Staff costs

The company had no employees during the year (2021: None).

7 Directors' remuneration

Directors' remuneration paid during the year amounted to £Nil (2021: £Nil). The Directors are not remunerated for their services to the Company.

8 Auditor's remuneration

	2022 £ 000	2021 £ 000
Audit of the financial statements	<u>18</u>	<u>11</u>

GP Hotel Forum Propco Limited

Notes to the Financial Statements

Year Ended 31 December 2022 (continued)

9 Interest payable and similar expenses

	2022 £ 000	2021 £ 000
Interest on bank overdrafts and borrowings	8,490	-
Interest expense on corporation tax liabilities	204	-
Interest payable on loans from group undertakings	890	905
	<u>9,584</u>	<u>905</u>

Interest payable relates to interest on an intercompany loan of £9,892,000 (2021: £9,892,000) from GP Hotel Forum Opco Limited. The loan is repayable in full on 1 December 2023. Interest is payable on the loan at a rate of 9% per annum.

10 Taxation

Tax charged/(credited) in the income statement

	2022 £ 000	2021 £ 000
Current taxation		
UK corporation tax	3,416	-
UK corporation tax adjustment to prior periods	-	5
	<u>3,416</u>	<u>5</u>
Deferred taxation		
Origination and reversal of timing differences	535	-
Arising from changes in tax rates and laws	-	(128)
Total deferred taxation	<u>535</u>	<u>(128)</u>
Tax expense/(receipt) in the income statement	<u>3,951</u>	<u>(123)</u>

The tax on profit before tax for the year is higher 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:

GP Hotel Forum Propco Limited

Notes to the Financial Statements

Year Ended 31 December 2022 (continued)

10 Taxation (continued)

	2022 £ 000	2021 £ 000
Profit before tax	17,964	3,077
Corporation tax at standard rate	3,452	585
Effect of expense not deductible in determining taxable profit (tax loss)	488	-
Effect of tax rate changes	11	(128)
Adjustment in respect of prior years	-	5
Group relief surrendered/(claimed)	(1,084)	(585)
Payment/(receipt) for group relief	1,084	-
Total tax charge/(credit)	3,951	(123)

The deferred tax at the Statement of Financial Position date has been calculated at 25%.

Deferred tax

Deferred tax assets and liabilities

	Asset £ 000
2021	
Accelerated capital allowances	534
	534

11 Tangible assets

	Assets under construction £ 000	Total £ 000
Cost		
Additions	4,095	4,095
At 31 December 2022	4,095	4,095
Carrying amount		
At 31 December 2022	4,095	4,095

GP Hotel Forum Propco Limited

Notes to the Financial Statements

Year Ended 31 December 2022 (continued)

12 Debtors

	Note	2022 £ 000	2021 £ 000
Trade debtors		47	-
Amounts owed by group undertakings	17	491,302	487,017
Other debtors		673	-
Prepayments		561	-
Foreign exchange derivative		6,665	-
Finance leases		128,305	128,307
Deferred tax	10	-	534
		<u>627,553</u>	<u>615,858</u>
Less non-current portion		<u>(616,490)</u>	<u>(353,794)</u>
		<u>11,063</u>	<u>262,064</u>

A loan receivable from GP Hotel Forum Opco Limited of £225,000,000 (2021: £225,000,000) is included within amounts owed by Group undertakings and was issued on 1 December 2015. The loan is interest free and repayable on 1 December 2023. The remaining amounts owed by Group undertakings are unsecured and repayable on demand.

Future aggregate minimum lease payments that are receivable under finance leases are as follows:

	2022 £ 000	2021 £ 000
Not later than one year	4,000	4,000
Later than one year and not later than five years	16,000	16,000
Later than five years	<u>952,000</u>	<u>956,000</u>
	<u>972,000</u>	<u>976,000</u>

13 Cash and cash equivalents

	2022 £ 000	2021 £ 000
Cash at bank	<u>18,389</u>	<u>-</u>

GP Hotel Forum Propco Limited

Notes to the Financial Statements

Year Ended 31 December 2022 (continued)

14 Creditors

	Note	2022 £ 000	2021 £ 000
Due within one year			
UOB Bank Interest Payable		-	15
UOB Bank Loan		228,233	245,000
Trade creditors		555	-
Amounts due to group undertakings	17	49,086	5,426
Accruals and deferred income		307	15
Corporation tax	10	2,332	-
		<u>280,513</u>	<u>250,456</u>
Due after one year			
Amounts due to group undertakings		<u>-</u>	<u>9,892</u>

The amounts owed by Group undertakings falling due within one year are unsecured and repayable on demand.

A loan payable to GP Hotel Forum Opco Limited of £9,892,000 (2021: £9,892,000) is included within amounts owed to Group undertakings. This was issued on 1 December 2015 and interest is payable on the loan at a rate of 9% per annum. The loan principle is repayable in full on 1 December 2023.

On 30 December 2021, the company received an interest bearing loan of £245,000,000 (converted on 30 September 2022 to \$275.2m USD) as shown above. The loan is secured over Kensington Forum Hotel based in London. The loan bears interest of 2% per annum over SONIA CCR.

GP Hotel Forum Propco Limited

Notes to the Financial Statements

Year Ended 31 December 2022 (continued)

15 Share capital

Allotted, called up and fully paid shares

	No.	2022 £	No.	2021 £
Ordinary of £1 each	<u>300</u>	<u>300</u>	<u>300</u>	<u>300</u>

The holders of the ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

Reserves

Called up share capital

Represents the nominal value of shares issued.

Share Premium account

Represents the excess paid over the nominal value of shares issued.

Profit and loss account

Represents the reserves for net gains and losses recognised in the Statement of Comprehensive Income.

16 Commitments and contingencies

Capital commitments

Capital commitments of £5,468,000 (2021: £1,045,000) were contracted for, but not provided in the financial statements. The Company set aside this capital commitment for hotel renovation works during 2023.

17 Related party transactions

The Company has taken advantage of the exemption in FRS 102 from disclosing transactions with other members of the Group on the basis that the Company is a wholly owned subsidiary.

The Company owed £30,193k (2021: £Nil) to non-Group related companies.

GP Hotel Forum Propco Limited

Notes to the Financial Statements

Year Ended 31 December 2022 (continued)

18 Ultimate parent and controlling party

The Company is a subsidiary undertaking of GP Hotel Forum Holdco Limited. The ultimate parent company and controlling party is GP Hotel International Pte Ltd, a company based in Singapore. The largest and smallest group in which the results of this company are consolidated is that headed by GP Hotel-UK London Limited, incorporated in United Kingdom.

The consolidated financial statements of GP Hotel-UK London Limited are available to the public and may be obtained from the registered office:
Sigma House, Oak View Close, Edginswell Park, Torquay, TQ2 7FF.