

KERZNER INTERNATIONAL MARKETING (UK) LIMITED
Registered Number 01965948

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022



Directors' report and financial statements
for the year ended 31 December 2022

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Kerzner International Marketing (UK) Limited

Directors' Report

The Board of Directors present their Directors' report and the audited financial statements for Kerzner International Marketing (UK) Limited (the "Company") for the year ended 31 December 2022.

Under the Companies Act 2006, applicable for 30 September 2013 year-ends onwards, the revised Regulations require all companies (including subsidiaries), other than those that qualify as small, to produce a 'strategic report' that replaces the business review element of the directors' report. The Company has taken exemption (under s414B) available for small companies from preparing a Strategic Report. The Company has also chosen to take the exemption available to small companies in preparing the Directors' Report (under s415A).

Principal Activities

The principal activity of the Company is to provide marketing, promotional and administrative services to other subsidiaries of Kerzner International Holdings Limited ("KIHL"), and to properties to which KIHL provides management and marketing services. The Directors expect this activity to continue.

Company Results and Dividends

Revenue for the year was GBP 668,732 (2021: GBP 1,194,828) and profit for the year was GBP 66,038 (2021: GBP 83,858). The Directors consider turnover as the key performance indicator.

The audited financial statements for the year ended 31 December 2022 are set out on pages 7 to 28.

The Directors do not recommend the payment of a dividend during the year (2021: Nil).

Going Concern

The financial statements have been prepared assuming the Company will continue as a going concern.

Subsequent Events

The directors are not aware of any material events which have taken place between 31 December 2022 and the date of this report.

Directors and Their Interests

The Directors of the Company who were in the office at the time of signing of the financial statements were:

Stuart Anthony Thomson	Director
Philippe Georges Zuber	Director

During the current year and up to the date of signing the financial statements, the Company Secretary services were provided by the chartered accountant firm Knight & Company.

Directors who held office at 31 December 2022 had no interests in the shares of the Company.

Kerzner International Marketing (UK) Limited

Directors' Report (continued)

Principal risks and financial risk management

The Company's principal financial assets are intercompany debtors. The Directors therefore do not consider that the Company is exposed to significant risk due to the fact that KIHIL continues to support the Company.

The Company does not have any financial instruments other than cash and short-term debtors and creditors. Cash balances are held with a major UK bank with international operations and earn competitive rates of interest. Refer to Note 3 of the financial statements for further information on financial risk management.

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the UK. 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable IFRSs as adopted by the UK 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; and
- prepare the financial statements on a 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.

The directors 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.

Disclosure of Information to Auditors

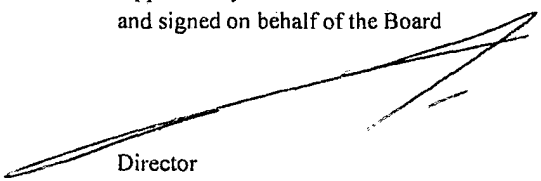
At the date of approval of this Directors' Report confirm that:

- so far as the Directors are aware, there is no relevant audit information of which the Company's auditors are unaware; and
- Directors have taken all steps they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Independent Auditors

The auditors, Bennett Brooks & Co Limited, have indicated their willingness to continue in office and a resolution concerning their appointment will be proposed at the Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board



Director
Philippe Georges Zuber

28/07/2023

Independent auditors' report to the members of Kerzner International Marketing (UK) Limited

Opinion

We have audited the financial statements of Kerzner International Marketing (UK) Limited (the 'company') for the year ended 31 December 2022 which comprise the Balance Sheet, the Statement of Comprehensive Income, the Statement of changes in equity, the Statement of Cash Flows, and the 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 international accounting standards in conformity with the requirements of the Companies Act 2006.

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 international accounting standards in conformity with the requirements of the Companies Act 2006; 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 Auditors' 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 related to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Directors' Report but does not include the financial statements and our Independent Auditors' 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.

Independent auditors' report to the members of Kerzner International Marketing (UK) Limited (continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 the audit:

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified 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 take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Directors' Report.

Responsibilities of directors

As explained more fully in the Statement of directors' responsibilities set out on page two, 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 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.

Independent auditors' report to the members of Kerzner International Marketing (UK) Limited (continued)

Auditors' 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 Independent auditors' 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.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to UK tax legislation and regulations which govern the preparation of financial statements, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. 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 increase revenue, through management bias in manipulation of accounting estimates or accounting for significant transactions outside the normal course of business.

Audit procedures performed included:

- Enquiry of management around actual and potential litigation and claims and instances of non-compliance with laws and regulations;
- Auditing the risk of management override of controls, through testing journal entries and other adjustments for appropriateness, testing accounting estimates (because of the risk of management bias), and evaluating the business rationale of significant transactions outside the normal course of business;
- Reviewing financial statement disclosures and agreeing to supporting documentation to assess compliance with applicable laws and regulations; and

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Independent auditors' report to the members of Kerzner International Marketing (UK) Limited (continued)

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 Independent auditors' report.

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 Independent auditors' 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.



Jason Leach FCA (Senior Statutory Auditor)

For and on behalf of Bennett Brooks & Co Limited, Statutory Auditor
St George's Court
Winnington Avenue
Northwich
Cheshire
CW8 4EE

28 September 2023

Kerzner International Marketing (UK) Limited

BALANCE SHEET AS AT 31 DECEMBER 2022

	Note	31 December 2022 GBP	31 December 2021 GBP
ASSETS			
Non-current assets			
Property and equipment	4	2,680	40,593
Right of use asset-building	5	530,950	23,950
Investments	6	21,877	21,877
Deferred tax asset	14	34,709	52,612
		590,216	139,032
Current assets			
Due from related parties	7	3,259,424	3,511,072
Trade and other receivables	8	625,076	176,922
Cash and cash equivalents	9	208,637	326,841
		4,093,137	4,014,835
Total assets		4,683,353	4,153,867
EQUITY and LIABILITIES			
Equity attributable to the owner of the Company			
Share capital	10	2	2
Retained earnings		1,672,623	1,606,585
Total equity		1,672,625	1,606,587
LIABILITIES			
Non-current liabilities			
Lease liability	5	436,464	-
		436,464	-
Current liabilities			
Lease liability	5	121,754	-
Trade and other payables	11	1,123,466	862,019
Due to related parties	7	1,329,044	1,685,261
		2,574,264	2,547,280
Total liabilities		3,010,728	2,547,280
Total equity and liabilities		4,683,353	4,153,867

The financial statements on pages 7 to 28 were approved by the Board of Directors on²⁸ September 2023 and signed on its behalf by:

.....
Director
Philippe Georges Zuber

The notes on pages 11 to 28 are an integral part of these financial statements.

(7)

Kerzner International Marketing (UK) Limited

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	Year ended 31 December	
		2022 GBP	2021 GBP
Revenue		668,732	1,194,828
Expenses			
Operating expenses	12	(581,316)	(1,086,122)
Operating profit		87,416	108,706
Interest expense		(20,958)	(5,177)
Finance expense		(20,958)	(5,177)
Profit before taxation		66,458	103,529
Taxation	14	(420)	(19,671)
Profit for the year		66,038	83,858
Other comprehensive income for the year		-	-
Total comprehensive income for the year		66,038	83,858

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Share capital GBP	Retained earnings GBP	Total Equity GBP
At 1 January 2021	2	1,522,727	1,522,729
Profit and other comprehensive income for the year	-	83,858	83,858
At 31 December 2021 and 1 January 2022	2	1,606,585	1,606,587
Profit and other comprehensive income for the year	-	66,038	66,038
At 31 December 2022	2	1,672,623	1,672,625

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022**

		Year ended 31 December	
	Note	2022 GBP	2021 GBP
Cash flows from operating activities			
Profit before taxation		66,458	103,529
Adjustments for:			
Depreciation	4,5	158,799	169,593
Interest expense		20,958	5,177
Cash generated from operations		246,215	278,299
Changes in working capital:			
Trade and other receivables		(442,159)	59,823
Due from related parties, excluding provision for impairment of receivables		251,648	239,176
Trade and other payables, excluding corporate tax payable		343,208	99,463
Due to related parties		(356,217)	(253,497)
Income tax paid		(70,273)	-
Net cash generated (used in)/ from operations		(27,578)	423,264
Investing activities			
Additions to property and equipment	4	(2,796)	-
Net cash used in investing activities		(2,796)	-
Financing activities			
Lease liabilities paid		(66,872)	(231,504)
Finance cost paid		(20,958)	(5,177)
Net cash used in financing activities		(87,830)	(236,681)
(Decrease)/ increase in cash and cash equivalents		(118,204)	186,583
Cash and cash equivalents, beginning of the year		326,841	140,258
Cash and cash equivalents, end of the year	9	208,637	326,841

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2022**

1. ORGANISATION AND DESCRIPTION OF THE BUSINESS

Kerzner International Marketing (UK) Limited (the “Company”) is registered and incorporated in Great Britain on 27 November 1985, as a private company limited by shares. The registered office of the Company is 1st Floor 150 Brompton Road, Knightsbridge, London, England, SW3 1HX.

The Company is a wholly-owned subsidiary of One&Only Resorts Limited (“the Parent Company” or “the owner”), a company registered in the British Virgin Islands. The Parent Company is a wholly-owned subsidiary of Kerzner International Limited (“KIL”) which is a wholly-owned subsidiary of Kerzner International Holdings Limited (“KIHL”), a company incorporated under the laws of the Commonwealth of the Bahamas. KIHL, through its subsidiaries is engaged in the management and development of destination hotels and luxury resorts. In these financial statements “the Group” refers to KIHL and its subsidiaries.

The ultimate controlling party of the Company is Investment Corporation of Dubai (“ICD”), the investment arm of the Government of Dubai.

The financial results of the Company are included in the consolidated financial statements of KIHL and ultimately ICD. Consequently, the Company has taken advantage of the exemption from preparing consolidated financial statements under the terms of section 401 of the Companies Act 2006. The consolidated financial statements of ICD are available on their website: www.icd.gov.ae.

The principal activity of the Company is to provide marketing, promotional and administrative services to fellow subsidiaries within the Group and properties managed by the Group.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with The Companies Act 2006 and in accordance with UK adopted international accounting standards in conformity with the requirements of the Companies Act 2006.

The financial statements have been prepared under the historical cost convention. The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment 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 17 – Critical accounting estimates and judgements.

(a) New standards, amendments and interpretations adopted by the Company

The Company has adopted the following new standards and amendments to the standards, including any consequential amendments to other standards, with a date of initial application of 1 January 2022:

- Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37)
- Annual Improvements to IFRS Standards 2018–2020
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)
- Reference to the Conceptual Framework (Amendments to IFRS 3)

The adoption of these new standards, amendments to the existing standards, and interpretations had no material impact on the Company’s financial statements for the year ended 31 December 2022.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2022 (continued)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

(b) New standards and amendments issued but not yet effective for the financial year beginning 1 January 2023 and not early adopted by the Company

A number of new standards are effective for annual periods beginning after 1 January 2023 and earlier application is permitted; however, the Company has not early adopted the new or amended standards in preparing these financial statements.

The following amended standards and interpretations are not expected to have a significant impact on the Company's financial statements

Classification of Liabilities as Current or Non-current (Amendments to IAS 1)
IFRS 17 Insurance Contracts and amendments to IFRS 17 Insurance Contracts
Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)
Definition of Accounting Estimates (Amendments to IAS 8)
Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)
Lease liability in a sale and leaseback (Amendment to IFRS 16)

2.2 Going concern

The financial statements have been prepared assuming the Company will continue as a going concern, given the net current and net asset position and the financial position of KIHIL.

2.3 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements are measured in Great British Pounds ('GBP'), being the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in GBP, which is also the Company presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss in the statement of comprehensive income. Foreign exchange gains and losses that relate to cash and cash equivalents are presented in the statement of comprehensive income within 'finance income'. All other foreign exchange gains and losses are presented in the statement of comprehensive income.

2.4 Investments

Investments represents investment in subsidiaries which are stated at cost less any accumulated impairment losses in separate financial statements, determined on the basis of excess of carrying amount over their recoverable amount. The statement of comprehensive income reflects income from the investments in subsidiaries only to the extent that the Company receives distributions from accumulated net profit of such companies.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2022 (continued)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.5 Property and equipment

Property and equipment are stated at historical cost less accumulated depreciation. The cost of property and equipment is its purchase cost together with any incidental costs of acquisition. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the statement of comprehensive income during the financial year in which they are incurred.

Depreciation on assets is calculated on the straight-line method, at rates calculated to reduce the cost of assets to their estimated residual value over their expected useful lives, as follows:

Type of assets	Years
Furniture and fittings	4 - 7
Computer equipment	3 - 5

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount and are recognised in the statement of comprehensive income.

2.6 Impairment of non-financial assets

Assets that are subject to depreciation and amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of the asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows ("cash generating units"). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

A reversal of an impairment loss for an asset shall be recognised immediately in the statement of comprehensive income. After a reversal of an impairment loss is recognised, the depreciation/amortisation charge of the asset shall be adjusted in future periods to allocate the asset's revised carrying amount, less residual value over the remaining useful life.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2022 (continued)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.7 Leases

Policy applicable on or after 1 January 2019

The Company assesses whether a contract is, or contains a lease, at the inception of the contract. A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

In order to assess whether a contract is, or contains a lease, management determine whether the asset under consideration is "identified", which means that the asset is either explicitly or implicitly specified in the contract and that the supplier does not have a substantial right of substitution throughout the period of use. Once management has concluded that the contract deals with an identified asset, the right to control the use thereof is considered. To this end, control over the use of an identified asset only exists when the Company has the right to substantially all of the economic benefits from the use of the asset as well as the right to direct the use of the asset.

In circumstances where the determination of whether the contract is or contains a lease requires significant judgement, the relevant disclosures are provided in the significant judgments and sources of estimation uncertainty section of these accounting policies.

Company as lessee

A lease liability and corresponding right-of-use asset are recognised at the lease commencement date, for all lease agreements for which the Company is a lessee, except for short-term leases of 12 months or less, or leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The various lease and non-lease components of contracts containing leases are accounted for separately, with consideration being allocated to each lease component on the basis of the relative stand-alone prices of the lease components and the aggregate stand-alone price of the non-lease components (where non-lease components exist).

However as an exception to the preceding paragraph, the Company has elected not to separate the non-lease components for leases of land and buildings.

Details of leasing arrangements where the Company is a lessee are presented in note 5.

Lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed lease payments, including in-substance fixed payments, less any lease incentives;
- the amount expected to be payable by the Company under residual value guarantees;
- the exercise price of purchase options, if the Company is reasonably certain to exercise the option;
- lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option; and
- penalties for early termination of a lease, if the lease term reflects the exercise of an option to terminate the lease.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2022 (continued)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.7 Leases (continued)

Lease liability (continued)

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability (or right-of-use asset). The related payments are recognised as an expense in the period incurred and are included in operating expenses.

The lease liability is presented as a separate line item on the Statement of Financial Position. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect lease payments made. Interest charged on the lease liability is included in finance costs.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) when:

- there has been a change to the lease term, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- there has been a change in the assessment of whether the Company will exercise a purchase, termination or extension option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- there has been a change to the lease payments due to a change in an index or a rate, in which case the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used);
- there has been a change in expected payment under a residual value guarantee, in which case the lease liability is remeasured by discounting the revised lease payments using the initial discount rate;
- a lease contract has been modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised payments using a revised discount rate.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recognised in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Right-of-use assets

Right-of-use assets are presented as a separate line item on the Statement of Financial Position.

Lease payments included in the measurement of the lease liability comprise the following:

- the initial amount of the corresponding lease liability;
- any lease payments made at or before the commencement date;
- any initial direct costs incurred;
- any estimated costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, when the Company incurs an obligation to do so, unless these costs are incurred to produce inventories; and
- less any lease incentives received.

Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2022 (continued)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.7 Leases (continued)

Right-of-use assets (continued)

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. However, if a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. Depreciation starts at the commencement date of a lease.

For right-of-use assets which are depreciated over their useful lives, the useful lives are determined consistently with items of the same class of property and equipment. Refer to the accounting policy for property and equipment for details of useful lives.

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate. Each part of a right-of-use asset with a cost that is significant in relation to the total cost of the asset is depreciated separately.

The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset.

2.8 Trade receivables and due from related parties

Trade receivables mainly include management and marketing service fee receivables and are typically non-interest bearing. Trade receivables are recognised initially at fair value and subsequently measured at cost, less provision for impairment.

Due from related parties primarily includes management services and reimbursable expenses incurred on behalf of fellow subsidiaries and properties managed by the Group. If trade receivables and due from is expected to be realized within 12 months after the reporting period, they are classified as current assets. If not, they are presented as non-current assets.

Prepayments (including deferred costs) is an expenditure paid for in one accounting period but for which the underlying asset will not be consumed until a future accounting period. Prepayments are measured at cost at each reporting period.

(i) Classification of financial assets and financial liabilities

IFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, fair value through other comprehensive Income ("FVOCI") and fair value through profit or loss ("FVTPL"). The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2022 (continued)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.9 Cash and cash equivalents

In the balance sheet and statement of cash flows, cash and cash equivalents include cash in hand and balances held with banks in current account.

2.10 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the United Kingdom.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.11 Trade payables and due to related parties

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Due to related parties are obligations to pay for goods or services that have been acquired in the ordinary course of business from subsidiaries and the Group companies. Due to related parties are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Trade payable and due to related parties are classified as current liabilities they are due to be settled within 12 months after the reporting period. If not, they are presented as non-current liabilities.

2.12 Dividend distribution

Dividend distribution to the Company's shareholder is recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's shareholder.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2022 (continued)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.13 Revenue

The Company recognises revenues from contracts with customers based on a five-step model as set out in IFRS 15.

- 1) *Identify the contract(s) with a customer:* A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.
- 2) *Identify the performance obligations in the contract:* A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
- 3) *Determine the transaction price:* The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.
- 4) *Allocate the transaction price to the performance obligations in the contract:* For a contract that has more than one performance obligation, the Company will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.
- 5) *Recognise revenue when (or as) the entity satisfies a performance obligation at a point time or over time.*

The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or
- The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- The Company's performance does not create an asset with an alternate use to the Company and the Company has an enforceable right to payment for performance obligations completed to date.

For performance obligations where none of the above conditions are met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Type of product/service	Nature and timing of satisfaction of performance obligations, including significant payment terms	Revenue recognition under IFRS 15
<i>Management, marketing and related fees</i>	Services will be rendered over period of time. Invoices are usually payable within 30-60 days.	Revenue is recognised over time, when the performance obligation is satisfied. Revenue generated from technical services are performed pursuant to the terms of the underlying agreements as progress milestones are achieved.

For performance obligations in which the Company acts as a principal, the Company records the gross amount billed to the customer within revenue and the related incremental direct costs incurred as operating expenses.

The Company, as an agent, recognises revenue for certain cost cross charges (without mark-up) and records amount billed to the customer net of incremental direct costs incurred as operating expenses.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2022 (continued)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.14 Pensions

The Company makes contributions to the employees' personal pension plans. The amount charged to profit or loss in the statement of comprehensive income in respect of pension costs is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

2.15 Impairment of financial assets

Loss allowances is measured on either of the following bases:

- 12-month ECLs: these are ECLs which result from possible default events within the 12 months after the reporting date; and
- Lifetime ECLs: these are ECLs which result from all possible default events over the expected life of a financial instrument.

Lifetime ECL measurement applies if the credit risk of a financial asset at the reporting date has increased significantly since initial recognition and 12-month ECL measurement applies if it has not. An entity may determine that a financial asset's credit risk has not increased significantly if the asset has low credit risk at the reporting date. However, lifetime ECL measurement always applies for trade receivables and contract assets without a significant financing component; the Company has a choice to also apply this policy for trade receivables and contract assets with a significant financing component.

The estimated ECL is calculated based on actual credit loss experience. The Company has performed the calculation of ECL rates separately for different types of customers including related parties.

Actual credit losses are adjusted to reflect differences between economic conditions during the period over which the historical data will be collected, prevalent conditions and the Company's view of economic conditions over the expected lives of the receivables and related party balances.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2022 (continued)

3. FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Company's activities potentially expose it to a variety of financial risks: market risk (including currency risk and price risk), credit risk and liquidity risk. The Company's financial instruments do not expose it to cash flow interest rate and fair value risk.

a) Market risk

i. Currency risk

Foreign exchange risk can only arise on financial instruments that are denominated in a currency other than the functional currency in which they are measured. Translation related risks are therefore not included in the assessment of the Company's exposure to currency risks. The Company is not significantly exposed to foreign exchange risk as the Company's transactions are primarily denominated in GBP.

ii. Price risk

The company is not exposed to any price risk as it does not have any listed equity securities or similar assets.

b) Credit risk

Credit risk arises from cash and bank balances, related party balances and trade receivables.

Due from related parties and trade receivables comprise balances receivable from fellow subsidiaries and properties managed by the Group against services rendered by the Company and the default risk is very low.

c) Liquidity risk

KIHL manages liquidity of the Company by providing funds as and when required.

The table below summarises the Company's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Within 1 year GBP
At 31 December 2022	
Trade and other payables, excluding corporate tax payable	1,123,466
Due to related parties (Note 7)	1,329,044
	2,452,510
At 31 December 2021	
Trade and other payables, excluding corporate tax payable	780,258
Due to related parties (Note 7)	1,685,261
	2,465,519

3.2 Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

In order to meet its objectives, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2022 (continued)

4. PROPERTY AND EQUIPMENT

	Furniture and fittings GBP	Computer equipment GBP	Total GBP
Cost			
At 1 January 2022	329,357	43,302	372,659
Additions	-	2,796	2,796
At 31 December 2022	329,357	46,098	375,455
Accumulated depreciation			
At 1 January 2022	296,412	35,654	332,066
Charge for the year	32,945	7,764	40,709
At 31 December 2022	329,357	43,418	372,775
Cost			
At 1 January 2021	329,357	43,302	372,659
At 31 December 2021	329,357	43,302	372,659
Accumulated depreciation			
At 1 January 2021	230,541	27,731	258,272
Charge for the year	65,871	7,923	73,794
At 31 December 2021	296,412	35,654	332,066
Net book amount			
At 31 December 2022	-	2,680	2,680
At 31 December 2021	32,945	7,648	40,593

5. RIGHT OF USE ASSET – BUILDING

The Company adopted IFRS 16 for the first time in the 2019 financial year using the modified retrospective approach.

The carrying amounts of right-of-use assets are as follows:

	Total GBP
Building	
Cost	
At 1 January 2022	311,345
Additions	625,090
At 31 December 2022	936,435
Accumulated depreciation	
At 1 January 2022	(287,395)
Charge for the year	(118,090)
At 31 December 2022	(405,485)
Net book amount	
At 31 December 2022	530,950
At 31 December 2021	23,950

Kerzner International Marketing (UK) Limited**NOTES TO THE FINANCIAL STATEMENTS**
for the year ended 31 December 2022 (continued)**5. RIGHT OF USE ASSET – BUILDING (continued)**

Other disclosures	31 December 2022 Total GBP	31 December 2021 Total GBP
Interest expense on lease liabilities included in finance cost	20,958	5,177

LEASE LIABILITY

The maturity analysis of lease liabilities is as follows:

Other disclosures	31 December 2022 Total GBP	31 December 2021 Total GBP
Within one year	144,808	-
Two to five years	471,452	-
	616,260	-
Less: finance charge component	(58,042)	-
Net lease liability as at 31 December	558,218	-
Non-current liability	436,464	-
Current liability	121,754	-

6. INVESTMENTS

	31 December 2022 GBP	31 December 2021 GBP
One and Only Resorts GmbH	16,596	16,596
One and Only Resorts EURL	5,281	5,281
	21,877	21,877

The subsidiary undertakings and country of incorporation and the Company's interest in the ordinary share capital at 31 December 2022 and 2021 are shown below.

Name	Country of incorporation	Registered address	Percentage interest held
One and Only Resorts GmbH	Germany	Goethestraße 27 60313 Frankfurt am Main Germany	100
One and Only Resorts EURL	France	5 Rue de Castiglione 75001 PARIS	100

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2022 (continued)**7. RELATED PARTY TRANSACTIONS AND BALANCES**

Related parties include the shareholders, fellow subsidiaries, key management personnel, directors and businesses which are controlled directly or indirectly by the shareholders or directors. The related party transactions and balances arise in the normal course of business primarily on sale and purchase of goods and services and loan and treasury arrangements.

(31) Related party transactions

During the year, the Company entered into the following significant transactions with related parties:

	Year ended 31 December 2022 GBP	Year ended 31 December 2021 GBP
Fellow subsidiaries		
Revenue from services to fellow subsidiaries	(500,060)	129,219
Expenses incurred on behalf of fellow subsidiaries	(392,165)	(210,523)
Properties managed by the Group		
Revenue from services to properties managed by the Group	1,168,792	1,065,608
Expenses incurred on behalf of properties managed by the Group	1,595,652	(816,640)

(b) Remuneration of key management personnel

During the year, 2022 and 2021 directors did not receive any emoluments in respect of their services to the Company. The operations of the Company are managed by the Parent Company and the Company does not have any key management personnel who receive remuneration from the Company. Accordingly, no disclosure for remuneration paid to key management has been made.

	31 December 2022 GBP	31 December 2021 GBP
© Due from related parties comprises:		
Due from fellow subsidiaries	854,663	2,181,466
Due from managed properties	2,404,761	1,329,606
	3,259,424	3,511,072

As at 31 December 2022, due from related parties were fully performing.

Due from related party balances are non-interest bearing and repayable on demand.

	31 December 2022 GBP	31 December 2021 GBP
(d) Due to related parties comprises:		
Due to fellow subsidiaries	1,329,044	1,685,261

Kerzner International Marketing (UK) Limited**NOTES TO THE FINANCIAL STATEMENTS**
for the year ended 31 December 2022 (continued)**8. TRADE AND OTHER RECEIVABLES**

	31 December 2022 GBP	31 December 2021 GBP
Trade receivables	323,998	61,984
Prepayments	30,490	31,585
VAT receivables	261,767	83,353
Corporation tax receivable	5,995	-
Other receivables	2,826	-
	625,076	176,922

As of 31 December 2022, trade and other receivables were fully performing.

9. CASH AND CASH EQUIVALENTS

	31 December 2022 GBP	31 December 2021 GBP
Cash at bank	207,965	326,141
Cash in hand	672	700
	208,637	326,841

All bank balances are held with major banks that maintain strong credit ratings from independent rating agencies.

10. SHARE CAPITAL

Authorised share capital comprises 10,000 ordinary shares (2021: 10,000 ordinary shares) of GBP 1 each. The total issued and fully paid-up share capital of the Company comprises 2 ordinary shares (2021: 2 ordinary shares) of GBP 1 each. At 31 December 2022 and 2021, the shares are held by One&Only Resorts Limited.

11. TRADE AND OTHER PAYABLES

	31 December 2022 GBP	31 December 2021 GBP
Trade payables	375,507	258,833
Accrued expenses	747,959	521,425
Corporation tax payable	-	81,761
	1,123,466	862,019
Less: Non-current payables	-	-
	1,123,466	862,019

Kerzner International Marketing (UK) Limited**NOTES TO THE FINANCIAL STATEMENTS**
for the year ended 31 December 2022 (continued)**12. OPERATING EXPENSES**

	Year ended 31 December 2022 GBP	Year ended 31 December 2021 GBP
Staff costs (Note 13)	498,893	167,399
Group service fees	693,157	514,990
Corporate allocation	14,944	(2,745)
Travel and entertainment	44,388	42,319
Legal and professional fees	25,383	11,748
(Reversal of)/provision for impairment of receivables	(779,809)	-
Rents, rates and taxes	75,167	47,179
Foreign exchange gain	(72,482)	(38,492)
Utilities	6,186	2,048
Communication and stationary	34,329	27,995
Depreciation	158,799	169,590
Bad Debts	-	93,416
Other	(117,639)	50,675
	581,316	1,086,122

Professional fees includes an amount of GBP 13,250 (2021: GBP 17,500) in respect of fees payable to the Company's auditors for the audit of the Company's annual financial statements and GBP 1,750 for taxation services.

13. STAFF COSTS

	Year ended 31 December 2022 GBP	Year ended 31 December 2021 GBP
Wages and salaries	405,410	125,835
Social security costs	36,678	17,064
Other pension costs	26,682	7,784
Other benefits	30,123	16,716
	498,893	167,399

The average monthly number of persons employed by the Company during the year was 3 (2021: 3 persons).

During the year, no contributions were paid to private money purchase pension schemes for any Director (2021: Nil).

The directors did not receive any emoluments in respect of their services to the Company (2021: Nil)

Kerzner International Marketing (UK) Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2022 (continued)

14. TAXATION

Deferred income tax assets and liabilities

The analysis of our deferred tax liabilities and assets is as follows:

	31 December 2022 GBP	31 December 2021 GBP
Deferred tax liabilities		
Deferred tax liabilities to be recovered after more than 12 months	-	-
Deferred tax liabilities to be recovered within 12 months	-	-
	-	-
Deferred tax assets		
Deferred tax assets to be recovered after more than 12 months	34,709	52,612
Deferred tax assets to be recovered within 12 months	-	-
Valuation allowance on deferred tax asset	-	-
	34,709	52,612

The movement in our deferred income tax assets and liabilities during the year is as follows:

	At 1 January GBP	(Charge)/Credit in the statement of comprehensive income GBP	Adjustments and True-Ups GBP	Enacted tax rate changes GBP	At 31 December GBP
2022					
Deferred tax liabilities	-	-	-	-	-
2022					
Deferred tax assets					
Basis difference in property used in operations	52,612	1,833	(22,893)	3,157	34,709
Net tax asset/(liability)	52,612	1,833	(22,893)	3,157	34,709
	At 1 January GBP	(Charge)/Credit in the statement of comprehensive income GBP	Adjustments and True- Ups GBP	Enacted tax rate changes GBP	At 31 December GBP
2021					
Deferred tax liabilities	-	-	-	-	-
2021					
Deferred tax assets					
Basis difference in property used in operations	34,631	17,981	-	-	52,612
	34,631	17,981			52,612
Net tax asset/(liability)	34,631	17,981			52,612

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2022 (continued)

14. TAXATION (continued)

Income tax expense

	Year ended 31 December 2022	Year ended 31 December 2021
	GBP	GBP
Current tax	(17,483)	37,652
Deferred tax	17,903	(17,981)
	420	19,671

The tax on the Company's profit differs (2021: differs) from the theoretical amount that would arise using the weighted average tax rates as follows:

	Year ended 31 December 2022	Year ended 31 December 2021
	GBP	GBP
Profit before taxation	66,458	103,529
Tax calculated at a weighted average of 19% (2021: 19%)	12,627	19,671
Other non-deductible item	58	-
True-up to prior years	(32,001)	-
Deferred tax benefits not previously recognized	17,903	(17,981)
Timing items and other	1,833	17,981
Total tax at the effective rate of 19% (2021: 19%)	420	19,671

In the Spring Budget 2021, the UK Government announced that from 1 April 2023 the corporation tax rate would increase to 25% (rather than remaining reduced at 19%, as previously enacted). This new law was substantively enacted on 24 May 2021. In the Autumn Statement in November 2022, the government confirmed the increase in corporation tax rate to 25% from April 2023 will go ahead. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

15. FINANCIAL INSTRUMENTS BY CATEGORY

The accounting policies for financial instruments have been applied to the line items below:

	31 December 2022	31 December 2021
	GBP	GBP
Financial assets at amortised cost		
Trade and other receivables, excluding prepayments and VAT receivables (Note 8)	326,824	61,984
Due from related parties (Note 7)	3,259,424	3,511,072
Cash and cash equivalents (Note 9)	208,637	326,841
	3,794,885	3,899,897
Financial liabilities at amortised cost		
Lease liabilities	558,218	-
Trade and other payables, excluding corporate tax payable, deferred revenue (Note 11)	1,123,466	780,258
Due to related parties (Note 7)	1,329,044	1,685,261
	3,010,728	2,465,519

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2022 (continued)

16. ULTIMATE CONTROLLING PARTY

The results of the Company are included within the financial statements of ICD, which the directors regard as the Company's Ultimate Parent Company and controlling party.

ICD is the ultimate parent undertaking and the largest group in which the Company is consolidated. The smallest group is that headed up by Kerzner International Holdings Limited.

17. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The Company makes estimates and assumptions concerning the future. These estimates and judgments 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. 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 amount of assets and liabilities within the next financial year are addressed below.

a. *Impairment of trade and other receivables, including related party receivables*

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.