
M & C HOTELS HOLDINGS LIMITED

Unaudited

Annual report and financial statements

For the Year Ended 31 December 2022



M & C HOTELS HOLDINGS LIMITED

Company Information

Directors	Copthorne Hotels Limited Kwek Eik Sheng
Company secretary	Copthorne Hotels Limited
Registered number	04407581
Registered office	Corporate Headquarters Scarsdale Place Kensington London W8 5SY

M & C HOTELS HOLDINGS LIMITED

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M & C HOTELS HOLDINGS LIMITED

Strategic report For the Year Ended 31 December 2022

Business review

M&C Hotels Holdings Limited ("the Company") is an indirect subsidiary of Millennium & Copthorne Hotels Limited. The Directors consider the ultimate holding and controlling company to be Hong Leong Investment Holdings Pte. Ltd.

The loss for the year after taxation amounted to £319k. (2021: loss after taxation £163k).

Principal risks and uncertainties

The management of the business and execution of the Company's strategy are subject to a number of risks which impacts the recoverable value of the Company's investments.

From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of the Millennium & Copthorne Hotels Limited group ('the Group') and are not separately managed. Further discussion of these risks and uncertainties, in context of the Millennium & Copthorne Hotels Limited group ('the Group') as a whole, is provided on pages 2 to 3 of the Group's annual report for the year ended 31 December 2022 which does not form part of this report. These risks and uncertainties are still applicable at the date of signing these financial statements.

Financial key performance indicators

Given the straight forward nature of the business, the directors are of the opinion that analysis of key performance indicators is not necessary for an understanding of the development, performance or position of the business.

Directors' statement of compliance with duty to promote the success of the Company

The Directors understand their duties under Section 172 of the Companies Act 2006 and more specifically, their duty to act in the way each director considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to -

- (a) the likely consequences of any decision in the long term;
- (b) the interests of the company's employees;
- (c) the need to foster the company's business relationships with suppliers, customers and others;
- (d) the impact of the company's operations on the community and the environment;
- (e) the desirability of the company maintaining a reputation for high standards of business conduct; and
- (f) the need to act fairly as between members of the company

The Group's 2022 annual report on pages 3 to 4 discusses in more detail how the Company, operating as part of the Group, has met these requirements.

This report was approved by the board and signed on its behalf.



Copthorne Hotels Limited, acting by David Hassan

Director

Date 11 December 2023

M & C HOTELS HOLDINGS LIMITED

Director's report For the Year Ended 31 December 2022

The Director presents his report and the financial statements for the year ended 31 December 2022.

Principal activity

The principal activity of the Company is that of an investment holding company.

Results and dividends

The loss for the year, after taxation, amounted to £319k (2021 - loss £163k).

No interim or final dividends were paid in the current or preceding year.

Directors

The Directors who served during the year were:

Copthorne Hotels Limited
Kwek Eik Sheng

Post balance sheet events

There have been no significant events affecting the Company since the year end.

Small companies note

In preparing this report, the Director has taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



Copthorne Hotels Limited, acting by David Hassan
Director
Date: 11 December 2023

M & C HOTELS HOLDINGS LIMITED

**Director's responsibilities statement
For the Year Ended 31 December 2022**

The Director is responsible for preparing the Strategic report, the Director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the Director to prepare financial statements for each financial year. Under that law the Director has elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. Under company law the Director must not approve the financial statements unless he is 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 Director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Director is 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 to enable him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

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**Statement of comprehensive income
For the Year Ended 31 December 2022**

	Note	2022 £000	2021 £000
Interest payable and similar expenses	3	(394)	(163)
Loss before tax		(394)	(163)
Tax on loss	4	75	-
Loss for the financial year		(319)	(163)

There were no recognised gains and losses for 2022 or 2021 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2022 (2021:£000NIL).

The notes on pages 7 to 16 form part of these financial statements.

M & C HOTELS HOLDINGS LIMITED
Registered number: 04407581

Statement of financial position
As at 31 December 2022

	Note	2022 £000	2021 £000
Non current assets			
Investments	5	91,115	91,115
Deferred taxation	6	75	-
		<u>91,190</u>	<u>91,115</u>
Current assets			
Debtors: amounts falling due within one year	6	600	600
Cash at bank and in hand	7	455	453
		<u>1,055</u>	<u>1,053</u>
Current liabilities			
Creditors: amounts falling due within one year	8	(18,255)	(17,859)
Net current liabilities		<u>(17,200)</u>	<u>(16,806)</u>
Net assets		<u>73,990</u>	<u>74,309</u>
Capital and reserves			
Called up share capital	9	70,834	70,834
Profit and loss account		3,156	3,475
		<u>73,990</u>	<u>74,309</u>

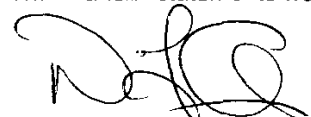
The members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The Company was entitled to exemption from audit under section 479A of the Companies Act 2006.

The Director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The Company's financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime

The financial statements were approved and authorised for issue by the board and were signed on its behalf by



Copthorne Hotels Limited, acting by David Hassan

Director

Date 11 December 2023

The notes on pages 7 to 16 form part of these financial statements.

M & C HOTELS HOLDINGS LIMITED

**Statement of changes in equity
For the Year Ended 31 December 2022**

	Called up share capital £000	Profit and loss account £000	Total equity £000
At 1 January 2022	70,834	3,475	74,309
Total comprehensive loss for the year			
Loss for the year	-	(319)	(319)
At 31 December 2022	70,834	3,156	73,990

**Statement of changes in equity
For the Year Ended 31 December 2021**

	Called up share capital £000	Profit and loss account £000	Total equity £000
At 1 January 2021	70,834	3,638	74,472
Total comprehensive loss for the year			
Loss for the year	-	(163)	(163)
At 31 December 2021	70,834	3,475	74,309

The notes on pages 7 to 16 form part of these financial statements.

M & C HOTELS HOLDINGS LIMITED

Notes to the financial statements For the Year Ended 31 December 2022

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The Company's financial statements are presented in Sterling and all values are rounded to the nearest thousand pounds (£000) except when otherwise indicated.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 2).

1.2 Financial reporting standard 101 - reduced disclosure exemption

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of paragraphs 45(b) and 46-52 of IFRS 2 Share-based payment
- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
 - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member
- the requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

This information is included in the consolidated financial statements of Millennium & Copthorne Hotels Limited as at 31 December 2022 and these financial statements may be obtained from Company's registered office at Corporate Headquarters, Scarsdale Place, Kensington, London, United Kingdom, W8 5SY.

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Notes to the financial statements For the Year Ended 31 December 2022

1. Accounting policies (continued)

1.3 Going concern

The financial statements have been prepared on the going concern basis. The Company is dependent for its working capital on funds provided to it by Millennium & Copthorne Hotels Limited, the Company's intermediate parent undertaking. Millennium & Copthorne Hotels Limited has indicated to the Company that for at least 12 months from the date of approval of these financial statements, it will continue to make available such funds as are needed by the Company and in particular will not seek repayment of the amounts currently made available. Based on this undertaking the Directors believe that it remains appropriate to prepare the financial statements on the going concern basis.

1.4 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each reporting date. Gains and losses on remeasurement are recognised in the Statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each reporting date. Gains and losses on remeasurement are recognised in profit or loss for the period.

Impairment of fixed assets

The carrying amounts of the Company's assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset or income-generating unit exceeds its recoverable amount. Impairment losses are recognised in the profit and loss account.

Calculation of recoverable amount

The recoverable amount of fixed assets is the greater of their net realisable value and value in use. In assessing value in use, the expected future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the rate of return expected on an equally risky investment.

Reversal of impairment

Where the recoverable amount increases as a result of a change in economic conditions or in the expected use of the asset then the resultant reversal of the impairment loss should be recognised in the current period. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

1.5 Debtors

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

M & C HOTELS HOLDINGS LIMITED

Notes to the financial statements For the Year Ended 31 December 2022

1. Accounting policies (continued)

1.6 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

1.7 Financial instruments

The Company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The Company's accounting policies in respect of financial instruments transactions are explained below:

Financial assets and financial liabilities are initially measured at fair value.

Financial assets

All recognised financial assets are subsequently measured in their entirety at either fair value or amortised cost, depending on the classification of the financial assets.

Fair value through profit or loss

All of the Company's financial assets other than those which meet the criteria to be measured at amortised cost are subsequently measured at fair value at the end of each reporting period, with any fair value gains or losses being recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset.

Debt instruments at amortised cost

Debt instruments are subsequently measured at amortised cost where they are financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and selling the financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Amortised cost is calculated using the effective interest method and represents the amount measured at initial recognition less repayments of principal plus the cumulative amortisation using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

Impairment of financial assets

The Company recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised or at FVOCI. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Company always recognises lifetime ECL for trade receivables and amounts due on contracts with customers. The expected credit losses on these financial assets are estimated based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast

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Notes to the financial statements For the Year Ended 31 December 2022

1. Accounting policies (continued)

1.7 Financial instruments (continued)

direction of conditions at the reporting date, including time value of money where appropriate. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument.

Financial liabilities

At amortised cost

Financial liabilities which are neither contingent consideration of an acquirer in a business combination, held for trading, nor designated as at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. This is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or where appropriate a shorter period, to the amortised cost of a financial liability.

1.8 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

1.9 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

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Notes to the financial statements For the Year Ended 31 December 2022

1. Accounting policies (continued)

1.10 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

1.11 Current and deferred taxation

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

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

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

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

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

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Notes to the financial statements For the Year Ended 31 December 2022

2. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The following estimates are dependent upon assumptions which could change in the next financial year and have a material effect on the carrying amounts of assets and liabilities recognised at the balance sheet date:

Asset carrying values

Management performs an assessment at each balance sheet date of assets where risk of impairment has been identified. Key judgment areas include the carrying values of investment in subsidiary undertakings.

The recovery of these assets is dependent on factors which include the financial position of the entities and market factors.

Where risk of impairment has been identified an impairment review has been performed.

3. Interest payable and similar charges

	2022 £000	2021 £000
Loans from group undertakings	394	163
	<u>394</u>	<u>163</u>

4. Taxation

	2022 £000	2021 £000
Deferred tax		
Deferred tax on losses	(75)	-
Total deferred tax	<u>(75)</u>	<u>-</u>

M & C HOTELS HOLDINGS LIMITED

**Notes to the financial statements
For the Year Ended 31 December 2022**

4. Taxation (continued)

Factors affecting tax for the year

The tax assessed for the year is the same as (2021 - the same as) the standard rate of corporation tax in the UK of 19.00% (2021 - 19.00%) as set out below:

	2022	2021
	£000	£000
Loss on ordinary activities before tax	<u>(394)</u>	<u>(163)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.00% (2021 - 19.00%)	(75)	(31)
Effects of:		
Unrelieved tax losses carried forward	<u>-</u>	<u>31</u>
Total tax charge for the year	<u>(75)</u>	<u>-</u>

Factors that may affect future tax charges

The standard rate of corporation tax applicable to the Company for the year ended 31 December 2022 is 19.0% (2021 – 19%). It was announced in the UK Budget on 3 March 2021 that the main UK corporation tax rate will increase to 25% from 1 April 2023. This was substantively enacted in May 2021. In September 2022, the UK Government announced that the increase in the UK corporation tax main rate to 25% from 1 April 2023 would no longer go ahead. In October 2022, it was announced in the UK Government's Budget that the main UK corporation tax rate will increase to 25% from 1 April 2023.

The 25% rate from 1 April 2023 was substantively enacted as at balance sheet date and a deferred tax rate of 25% has been applied on the temporary differences on which deferred tax have been provided.

5. Fixed asset investments

	Investments in subsidiary companies £000
Cost or valuation	
At 1 January 2022	<u>91,115</u>
At 31 December 2022	<u>91,115</u>

M & C HOTELS HOLDINGS LIMITED

**Notes to the financial statements
For the Year Ended 31 December 2022**

5. Fixed asset investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding
M&C Finance (1) Limited	Ordinary	100%

6. Debtors: Amounts falling due within one year

	2022 £000	2021 £000
Due after more than one year		
Deferred tax asset	75	-
	75	-

	2022 £000	2021 £000
Due within one year		
Amounts owed by group undertakings	600	600
	600	600

7. Cash and cash equivalents

	2022 £000	2021 £000
Cash at bank and in hand	455	453
	455	453

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**Notes to the financial statements
For the Year Ended 31 December 2022**

8. Creditors: Amounts falling due within one year

	2022	2021
	£000	£000
Amounts owed to group undertakings	18,255	17,859
	18,255	17,859

9. Share capital

	2022	2021
	£000	£000
Allotted, called up and fully paid		
1 (2021 - 1) Ordinary share share of £1.00	-	-
147,886,762 (2021 - 147,886,762) Ordinary share shares of S\$1.00 each	70,834	70,834
	70,834	70,834

10. Financial instruments

	2022	2021
	£000	£000
Financial assets		
Financial assets measured at fair value through profit or loss	455	453
Financial assets that are debt instruments measured at amortised cost	600	600
	1,055	1,053
Financial liabilities		
Financial liabilities measured at amortised cost	(18,255)	(17,859)

Financial assets measured at fair value through profit or loss comprise cash at bank and in hand.

Financial assets that are debt instruments measured at amortised cost comprise amounts owed by group undertakings

Financial liabilities measured at amortised cost comprise amounts owed to group undertakings.

M & C HOTELS HOLDINGS LIMITED

**Notes to the financial statements
For the Year Ended 31 December 2022**

11. Deferred taxation

	2022 £000
Charged to profit or loss	75
At end of year	75

The deferred tax asset is made up as follows:

	2022 £000	2021 £000
Tax losses carried forward	75	-
	75	-

12. Post balance sheet events

There have been no events since the reporting date and the balance sheet date that require disclosure in these financial statements.

13. Controlling party

The Directors consider the ultimate holding and controlling company to be Hong Leong Investment Holdings Pte. Ltd. incorporated in the Republic of Singapore. The accounts of the ultimate holding company, which heads the largest group in which the results of the Company are consolidated, are available to the public at The Accounting and Corporate Regulatory Authority, 55 Newton Road, #03-02 Revenue House, Singapore, 307987.

The immediate holding and controlling company is Millennium & Copthorne Hotels Limited, a company registered in England and Wales. The smallest group in which the results of the Company are consolidated is headed by Millennium & Copthorne Hotels Limited, a company registered in England and Wales.