

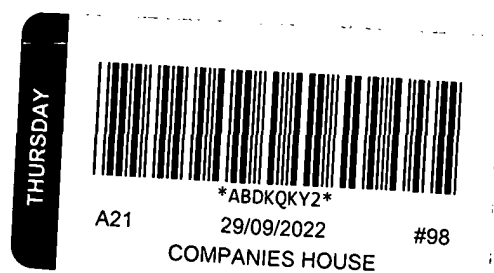
RFFF Limited

Report and Financial Statements

Year ended

30 April 2022

Company Number 5133159



RFFF Limited

Report and financial statements for the year ended 30 April 2022

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Directors

The Hon Sir Rocco J V Forte
Rachel Brown

Registered office

70 Jermyn Street, London, SW1Y 6NY

Auditor

BDO LLP, 55 Baker Street, London, W1U 7EU

Bankers

Bank of Scotland, The Mound, Edinburgh, EH1 1YZ

Solicitors

Forsters LLP, 31 Hill Street, London, W1J 5LS

RFFF Limited

Directors' report for the year ended 30 April 2022

The Directors present their annual report and the audited financial statements for the year ended 30 April 2022.

Directors

The Directors of the company, all of whom served throughout the year, were:

The Hon Sir Rocco J V Forte
Rachel Brown

Results and dividends

The profit for the year after taxation was £473,000 (2021 – £664,000). During the year, the Company paid an interim dividend of £14,849,000 as part of a capital restructuring transaction (2021 – £Nil). The dividend paid in the current year was settled through a repayment of an intercompany loan position.

The Company ceased trading during the current year and the directors are now reviewing future options for the Company.

Financial risk management

The main financial risk faced by the Company relates to interest rates. This risk is managed at a Group level, under the control of the Group Finance Director and within policies approved by the Board. The Group's financial risk management objective is broadly to seek to make neither profit nor loss from exposure to this risks.

Going concern

Further information on the impact to the going concern assessment is disclosed in note 1 of the financial statements.

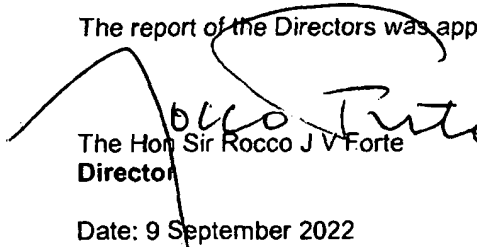
Provision of information to auditor

Each of the persons who are Directors at the time when this Directors' report is approved has confirmed that:

- so far as that Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- that Director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the Company's auditor in connection with preparing their report and to establish that the Company's auditor is aware of that information.

This report has been prepared in accordance with the Special Provisions of Part 15 of the Companies Act 2006, relating to small companies.

The report of the Directors was approved on behalf of the Board by:



The Hon Sir Rocco J V Forte
Director

Date: 9 September 2022

RFFF Limited

Directors' responsibilities statement for the year ended 30 April 2022

The Directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

RFFF Limited

Independent auditor's report

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RFFF LIMITED

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 April 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.

We have audited the financial statements of RFFF Limited ("the Company") for the year ended 30 April 2022 which comprise Profit and loss statement, Balance sheet, 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 101 *Reduced Disclosure Framework* (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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.

Conclusions relating to going concern

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

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

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

Other information

The 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.

RFFF Limited

Independent auditor's report (continued)

Other Companies Act 2006 reporting

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 have been prepared in accordance with applicable legal requirements.

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 in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies exemptions in preparing the Directors' report and from the requirement to prepare and Strategic report.

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

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:

- Obtaining an understanding of the legal and regulatory frameworks that are applicable to the Group and Company; focussing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. These include, but are not limited to, compliance with the Companies Act, International Accounting Standards in conformity with the requirement of the Companies Act 2006 and tax legislation.

RFFF Limited

Independent auditor's report (continued)

- Making enquiries of management and the Board of the Company policies and procedures relating to:
 - Identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- Making enquiries of other personnel with roles relevant to compliance with laws and regulations.
- Communicating the relevant identified laws and regulations and potential fraud risks to all engagement team members and component audit teams, and remaining alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.
- Assessing the susceptibility of the financial statements to material misstatement, including how fraud might occur in the financial statements and any potential indicators of fraud. We identified potential for fraud in the following areas and performed the following procedures:
 - Management override: 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 manipulate financial results and management bias in accounting estimates and judgements. Audit procedures performed included:
 - Challenging assumptions made by management in their significant accounting estimates for indications of bias or management override;
 - Identifying and testing manual journal entries, in particular any journal entries containing characteristics of audit interest such as manual journals to revenue, accounts receivable and cash; and for journals which are inconsistent with the usual transactions of the Group and Company.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in management's incentive to manipulate earnings before tax.

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

Use of our report

This report is made solely to the Company's 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.

DocuSigned by:

Mark RA Edwards

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Mark RA Edwards (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London, UK

12 September 2022

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

RFFF Limited

Profit and loss statement for the year ended 30 April 2022

	Note	2022 £'000	2021 £'000
Interest receivable and similar income	2	473	600
Profit on ordinary activities before taxation	3	473	600
Tax on profit on ordinary activities	4	-	64
Profit and total comprehensive profit for the year		473	664

All activities are in respect of continuing operations.

The notes on pages 9 to 13 form part of these financial statements.

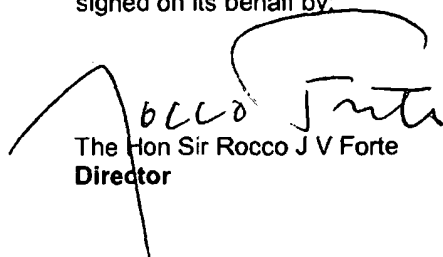
RFFF Limited
Company number 5133159

Balance sheet at 30 April 2022

	Note	2022 £'000	2021 £'000
Current assets			
Debtors falling due within one year	5	-	23
Debtors due after more than one year	5	-	14,353
		<hr/>	<hr/>
Total assets		-	14,376
		<hr/>	<hr/>
Net assets		-	14,376
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	6	-	-
Share premium account	6	-	46
Capital reduction reserve	6	25,149	39,952
Profit and loss account	6	(25,149)	(25,622)
		<hr/>	<hr/>
Shareholder's funds		-	14,376
		<hr/>	<hr/>

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The financial statements were approved by the Board and authorised for issue on 9 September 2022. They were signed on its behalf by:


The Hon Sir Rocco J V Forte
Director

The notes on pages 9 to 13 form part of these financial statements.

RFFF Limited

Statement of Changes in Equity for the year ended 30 April 2022

	Share capital £'000	Share premium £'000	Capital reduction reserve £'000	Profit and loss account £'000	Total £'000
Balance at 1 May 2021	-	46	39,952	(25,622)	14,376
Profit for the year	-	-	-	473	473
Dividend	-	-	(14,849)	-	(14,849)
Capital reduction	-	(46)	46	-	-
Balance at 30 April 2022	-	-	25,149	(25,149)	-

Statement of Changes in Equity for the year ended 30 April 2021

	Share capital £'000	Share premium £'000	Capital reduction reserve £'000	Profit and loss account £'000	Total £'000
Balance at 1 May 2020	-	46	39,952	(26,286)	13,712
Profit for the year	-	-	-	664	664
Balance at 30 April 2021	-	46	39,952	(25,622)	14,376

The notes on pages 9 to 13 form part of these financial statements.

RFFF Limited

Notes forming part of the financial statements for the year ended 30 April 2022

1 Accounting policies

Statement of preparation

The financial statements have been prepared in accordance with the Companies Act 2006 and Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101"). The principal accounting policies adopted in the preparation of the financial statements are set out below. The policies have been consistently applied to all the years presented, unless otherwise stated.

The financial statements have been prepared on a historical cost basis. The presentation currency used is pound sterling and amounts have been presented in round thousands ("£000s").

The Company's ultimate parent company, Rocco Forte Hotels Limited, includes the Company in its consolidated financial statements. The consolidated financial statements of Rocco Forte Hotels Limited, which is incorporated in the UK, are prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and are publically available.

In preparing the financial statements the company has taken advantage of all disclosure exemptions conferred by FRS 101. Therefore the following disclosures have not been provided:

- A statement of cash flows;
- Certain comparative information as otherwise as otherwise required by international accounting standards in conformity with the requirements of the Companies Act 2006;
- Disclosure of related party transactions with other wholly owned members of the group headed by Rocco Forte Hotels Limited;
- Certain financial instrument disclosures as provided in the consolidated financial statements of Rocco Forte Hotels Limited; and
- The effect of future accounting standards not yet adopted.

Going concern assessment

As described in Note 7 the Company is party to a Group loan facility over which Group lenders have a cross guarantee. The wider Group's position has been considered as part of the Going Concern assessment. The Company has prepared the financial statements for the year ended 30 April 2022 on a going concern basis.

Over the last year, trading restrictions imposed on the hospitality industry have been gradually relaxed and the Group has returned to full operational capacity and is cash generative. The Group agreed with lenders to implement a mechanism to revert to standard covenant obligation reporting in 2023, minimising future liquidity risk. Before confirming the appropriateness of the going concern basis of preparation, the directors considered the potential risks and uncertainties which may affect the Group.

The Directors believe that the Group and the Company have the resources required to settle all liabilities as they fall due for the foreseeable future. Accordingly, the financial statements have been prepared on a going concern basis.

RFFF Limited

Notes forming part of the financial statements for the year ended 30 April 2022 (continued)

1 Accounting policies (continued)

Investments

Investments in subsidiaries are carried at cost less impairment. The carrying amount is reviewed at each reporting date to determine whether there is any indication of impairment. If such impairment exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses are recognised in the Profit and Loss Statement.

Amounts due from and amounts due to Group subsidiaries

Amounts due from and amounts due to Group subsidiaries are initially recognised at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses. The carrying value is reviewed at each reporting date to determine whether there is any indication of impairment. Impairment losses are recognised in the profit and loss statement.

Income and expenses

Interest receivable and payable is recognised in the profit and loss statement as it accrues, using the effective interest rate method.

Taxation

Current tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the tax authorities including interest. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period.

Deferred tax

Deferred tax assets and liabilities are recognised in respect of temporary differences between the tax base and carrying value of assets and liabilities. Deferred tax assets are recognised to the extent that it is regarded as probable that the deductible temporary differences can be realised. The recoverability of all deferred tax assets is re-assessed at the end of each reporting period. Deferred tax is calculated at the tax rates that are expected to apply in the periods in which the asset or liability will be settled, based on rates enacted or substantively enacted at the end of the reporting period.

Critical accounting estimates and assumptions

The company makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Impairment testing

Investments and intercompany debtors are tested for impairment when events or circumstances indicate that their carrying value may not be recoverable.

The recoverable amount is determined based on value in use calculations. The use of this method requires the estimation of future cash flows and the choice of a discount rate in order to calculate the present value of the cash flows. Information on the discount rates and key judgements are included in note 3 to the consolidated financial statements of Rocco Forte Hotels Limited. No impairment was identified for the year ended 30 April 2022.

RFFF Limited

Notes forming part of the financial statements for the year ended 30 April 2022 (continued)

2 Interest receivable and similar income

	2022 £'000	2021 £'000
Receivable from a Group company	473	600

3 Profit on ordinary activities before taxation

Auditors remuneration for audit services of the Company for the year of £2,350 (2021 - £2,200) and taxation services of £Nil (2021 - £925) have been borne by the ultimate parent company, Rocco Forte Hotels Limited.

The Company had no employees during the year and the prior year. The Directors received no remuneration in respect of services provided to the Company during the year (2021 - £Nil).

4 Tax on profit on ordinary activities

There is no tax payable in 2022 (2021 - £Nil).

There are no recognised or unrecognised deferred tax assets or liabilities as at 30 April 2022 (2021 - £Nil).

The difference between the total tax shown and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

	2022 £'000	2021 £'000
Profit on ordinary activities before tax	473	600
Tax at 19% (2021 – 19%)	90	114
Effects of:		
Group relief for nil payment	(90)	(114)
Adjustment to tax charge in respect of previous periods	-	(64)
Total tax charge/(credit) for the year	-	(64)

RFFF Limited

Notes forming part of the financial statements for the year ended 30 April 2022 (continued)

5 Debtors

	2022 £'000	2021 £'000
Amounts due within one year:		
Amounts due from a Group company	-	23
	<u> </u>	<u> </u>
Amounts due after one year:		
Amounts due from a Group company	-	14,353
	<u> </u>	<u> </u>

Amounts due from a Group company and due after more than one year bore an interest rate of 4.36%. In February 2022, the outstanding balance of the loan as well as interest accrued was settled.

6 Called up share capital and reserves

The following describes the nature and purpose of each reserve within equity.

Share Capital - Nominal value of share capital subscribed for. The Company has 1 ordinary share of £1.

Share premium - Amounts subscribed for share capital in excess of nominal value. In February 2022, the company opted to reduce the balance of the share premium account to nil by means of a capital reduction in order to create distributable reserves.

Capital reduction reserve – This reserve relates to a capital reserve and represents amounts transferred from share capital on reduction of issued shares, i.e. a distribution reserve.

The company paid a dividend of £14,849,000 to Rocco Forte & Family (Luxury Hotels) Limited during the year (2021 - £Nil).

Profit and loss account - All net gains and losses and transactions with owners (dividends).

7 Contingent liabilities

The Company is party to a group loan facility over which the Group's bankers have a cross guarantee secured by way of a fixed and floating charge on the assets of certain group companies. The amount outstanding on this facility at 30 April 2022 was £151,290,000 (2021 - £147,280,000).

RFFF Limited

Notes forming part of the financial statements for the year ended 30 April 2022 (continued)

8 Ultimate parent company and controlling party

In February 2022, the entire share capital of the company was purchased by Rocco Forte & Family (London) Limited from Rocco Forte & Family (Luxury Hotels) Limited. The company's immediate parent company is Rocco Forte & Family (London) Limited. Rocco Forte Hotels Limited is the ultimate parent company and controlling party. This is the only group in which the results of the Company are consolidated. Copies of the Group financial statements of Rocco Forte Hotels Limited are publicly available.

The Hon Sir Rocco J V Forte, a Director of Rocco Forte Hotels Limited, and members of his close family control the Company as a result of controlling directly or indirectly 75% of the issued share capital of Rocco Forte Hotels Limited (2021 - 75%).