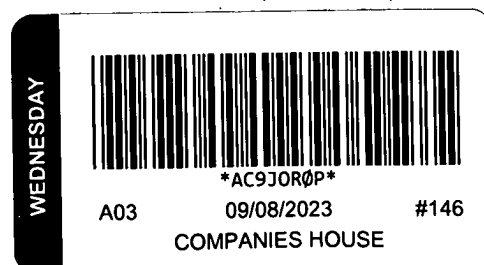


Registered number: 05374151

**ROSE DIAMOND D LEICESTER 2005 LTD**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**



# **Rose Diamond D Leicester 2005 Ltd**

## **CONTENTS**

### **Page**

Company Information .....	1
Directors' Report .....	2
Directors' Responsibilities Statement .....	4
Independent Auditor's Report to the Members of Rose Diamond D Leicester 2005 Ltd .....	5
Profit and Loss Account .....	9
Balance Sheet .....	10
Statement of Changes in Equity .....	11
Notes to the Financial Statements .....	12

# **ROSE DIAMOND D LEICESTER 2005 LTD**

## **COMPANY INFORMATION**

### **Directors**

K. Al Khajeh  
M. Al Mansoori  
S. Al Hallami - alternate  
A. Al Ketbi  
K. Al Shamsi  
M. Al Hamiri

### **Registered number**

05374151

### **Registered office**

C/O TMF Group  
8th Floor  
20 Farringdon Street  
London  
EC4A 4AB  
United Kingdom

### **Independent auditor**

KPMG LLP  
15 Canada Square  
Canary Wharf  
London  
E14 5GL  
United Kingdom

# **ROSE DIAMOND D LEICESTER 2005 LTD**

## **DIRECTORS' REPORT**

### **FOR THE YEAR ENDED 31 DECEMBER 2022**

The directors present their report and the audited financial statements of the Company for the year ended 31 December 2022.

#### **Principal activities**

The principal activity of the Company continued to be the operation of a hotel in the United Kingdom. This hotel is operated by Marriott.

#### **Results and dividends**

The loss for the year, after taxation, amounted to £989,345 (2021: profit of £713,141).

The directors do not recommend the payment of a final dividend for the year ended 31 December 2022 (2021: £Nil).

Despite a slower first quarter impacted by Covid restrictions; trading was quick to rebound when restrictions were lifted. Whilst occupancy remained behind 2019 levels for the year, a rate-driven strategy resulted in an Average Daily Rate significantly exceeding 2019 levels. On a full year basis, revenues recovered close to 2019 levels.

Throughout 2022, the Company was largely hedged against increases in energy prices and despite inflationary pressure on salaries and food costs, the rate-led revenue strategy, combined with good cost controls, resulted in the result for the year exceeding expectations.

#### **Political donations**

The Company has made no donations to a registered political party or other political organisation in the current or prior year.

#### **Directors**

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

S. Al Dhaheri	(resigned 17 February 2023)
K. Al Khajeh	
M. Al Mansoori	
J. Anand	(resigned 9 June 2023)
D. Ayyar - alternate	(resigned 17 February 2023)
M. Foxon	(resigned 19 August 2022)
S. Al Hallami - alternate	
A. Al Ketbi	
K. Al Shamsi	(appointed 17 February 2023)
M. Al Hamiri	(appointed 9 June 2023)

#### **Auditor**

The auditor, KPMG LLP, will be proposed for reappointment in accordance with Section 487 of Companies Act 2006.

# **ROSE DIAMOND D LEICESTER 2005 LTD**

## **DIRECTORS' REPORT**

### **FOR THE YEAR ENDED 31 DECEMBER 2022**

#### **Disclosure of information to auditors**

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


- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the director has taken all the steps that they ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors is aware of that information.

#### **Small companies note**

In preparing this report, the directors have taken advantage of the small company exemptions provided by section 415A of the Companies Act 2006.

The directors have also taken advantage of the small company exemptions provided by section 414B of the Companies Act 2006 and have not prepared a Strategic Report.

This report was approved by the board on 22 June 2023 and signed on its behalf by:

  
Mohammed AlHamiri (Jun 22, 2023 15:27 GMT+1)

**Mohammed Rashed Saeed Habwa Al Hamiri**

**Director**

  
Khalifa Abdulla Butti Al Shamsi (Jun 22, 2023 12:37 GMT+1)

**Khalifa Abdulla Butti Obaid Al Shamsi**

**Director**

# **ROSE DIAMOND D LEICESTER 2005 LTD**

## **DIRECTORS' RESPONSIBILITIES STATEMENT**

### **FOR THE YEAR ENDED 31 DECEMBER 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 they have elected to prepare the financial statements in accordance with applicable law and Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (UK Generally Accepted Accounting Practice applicable to Smaller Entities).

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 audited financial statements of the Company, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.



## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROSE DIAMOND D LEICESTER 2005 LTD

### Opinion

We have audited the financial statements of Rose Diamond D Leicester 2005 Ltd ("the Company") for the year ended 31 December 2022, which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity and related notes, including the accounting policies in note 3.

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 loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards applicable to smaller entities, including Section 1A of FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 3 to the financial statements. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation.



## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROSE DIAMOND D LEICESTER 2005 LTD (continued)**

### **Fraud and breaches of laws and regulations – ability to detect**

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors and inspection of policy documentation as to the Company's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board meeting minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because revenue transactions are simplistic in nature and the average value per transaction is low and therefore management would have to process a large volume of false revenue transactions to materially misstate revenue.

We did not identify any additional fraud risks.

We also performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included those unusual journal pairings linked to cash and borrowings, those that included key words in their descriptions and any material post close entries.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation, and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.





## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROSE DIAMOND D LEICESTER 2005 LTD (continued)**

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, data protection laws, anti-bribery, employment law, and certain aspects of company legislation recognising the nature of the Company's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

### **Context of the ability of the audit to detect fraud or breaches of law or regulation**

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

### **Directors' report**

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon. Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

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

Under the Companies Act 2006 we are required 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



## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROSE DIAMOND D LEICESTER 2005 LTD (continued)**

- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

### **Directors' responsibilities**

As explained more fully in their statement set out on page 4, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities**

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

### **The purpose of our audit work and to whom we owe our responsibilities**

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.

**Chrissy Douka (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*  
15 Canada Square  
London  
E14 5GL  
23 June 2023

**ROSE DIAMOND D LEICESTER 2005 LTD**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	2022 £	2021 £
Turnover	5	7,239,740	3,797,192
Cost of sales		(3,370,005)	(1,674,218)
<b>Gross profit</b>		<b>3,869,735</b>	<b>2,122,974</b>
Administrative expenses		(3,871,040)	(2,713,025)
Impairment (charge)/reversal - tangible assets	6	(647,435)	1,513,225
<b>Operating (loss)/profit</b>	7	<b>(648,740)</b>	<b>923,174</b>
Interest receivable and similar income		1,799	3
Interest payable and similar charges		(342,404)	(210,036)
<b>(Loss)/profit before taxation</b>		<b>(989,345)</b>	<b>713,141</b>
Taxation on (loss)/profit	9	–	–
<b>(Loss)/profit for the financial year</b>		<b>(989,345)</b>	<b>713,141</b>

There were no recognised gains and losses for 2022 or 2021 other than those included in the profit and loss account.

The notes on pages 12 to 23 form part of these financial statements.

# ROSE DIAMOND D LEICESTER 2005 LTD

## BALANCE SHEET


Registered number: 05374151

AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	10	14,800,000	15,800,000
		<b>14,800,000</b>	<b>15,800,000</b>
<b>Current assets</b>			
Stocks	11	31,637	18,189
Debtors	12	2,041,524	1,854,612
Bank and cash balances		43,396	15,701
		<b>2,116,557</b>	<b>1,888,502</b>
Creditors: amounts falling due within one year	13	(1,118,310)	(9,411,064)
<b>Net current assets/(liabilities)</b>		<b>998,247</b>	<b>(7,522,562)</b>
<b>Total assets less current liabilities</b>		<b>15,798,247</b>	<b>8,277,438</b>
Creditors: amounts falling due after more than one year	14	(8,510,154)	–
<b>Net assets</b>		<b>7,288,093</b>	<b>8,277,438</b>
<b>Capital and reserves</b>			
Called up share capital	16	10,278,642	10,278,642
Retained earnings		(2,990,549)	(2,001,204)
<b>Total equity</b>		<b>7,288,093</b>	<b>8,277,438</b>


These financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the provisions of Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland as amended by Section 1A 'Small Entities'.

The financial statements on pages 9 to 23 were approved and authorised for issue by the board on 22 June 2023 and were signed on its behalf by:

  
Mohammed AlHamiri (Jun 22, 2023 15:27 GMT+1)

**Mohammed Rashed Saeed Habwa Al Hamiri**

Director

  
Khalifa Abdulla Butti Al Shamsi (Jun 22, 2023 12:37 GMT+1)

**Khalifa Abdulla Butti Obaid Al Shamsi**

Director

The notes on pages 12 to 23 are form part of these financial statements.

**ROSE DIAMOND D LEICESTER 2005 LTD**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

	Called up share capital £	Retained earnings £	Total equity £
At 1 January 2022	10,278,642	(2,001,204)	8,277,438
<b>Comprehensive expense for the year</b>			
Loss for the financial year	—	(989,345)	(989,345)
<b>At 31 December 2022</b>	<b>10,278,642</b>	<b>(2,990,549)</b>	<b>7,288,093</b>

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

	Called up share capital £	Retained earnings £	Total equity £
At 1 January 2021	9,631,344	(2,714,345)	6,916,999
<b>Comprehensive income for the year</b>			
Profit for the financial year	—	713,141	713,141
<b>Contributions by and distributions to owners</b>			
Issue of share capital	647,298	—	647,298
<b>At 31 December 2021</b>	<b>10,278,642</b>	<b>(2,001,204)</b>	<b>8,277,438</b>

The notes on pages 12 to 23 are form part of these financial statements.

# **ROSE DIAMOND D LEICESTER 2005 LTD**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 DECEMBER 2022**

#### **1 General information**

Rose Diamond D Leicester 2005 Ltd (the Company) operates a hotel in the United Kingdom. This hotel is operated by Marriott.

The Company is a private company limited by shares and is incorporated in United Kingdom. The address of its registered office is C/O TMF Group, 8th Floor, 20 Farringdon Street, EC4A 4AB, United Kingdom.

#### **2 Statement of compliance**

The individual financial statements of Rose Diamond D Leicester 2005 Ltd have been prepared in compliance with United Kingdom Accounting Standards, comprising Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland', as amended by Section 1A 'Small Entities' ('FRS 102') and the Companies Act 2006.

#### **3 Accounting policies**

##### **3.1 Basis of preparation of financial statements**

The financial statements have been prepared on a going concern basis, under the historical cost convention as modified by the revaluation of land and buildings. The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement 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 4.

##### **Going concern:**

The financial statements have been prepared on the going concern basis which the Directors consider appropriate for the following reasons.

Despite a slower first quarter 2022 impacted by Covid-19 restrictions; trading was quick to rebound when restrictions were lifted as a result of the resurgence of international travel and a rate-driven strategy resulting in the Average Daily Rate significantly exceeding pre-Covid levels.

The Company is part of a cross-collateralised pool of assets that secured a new £450m debt facility with First Abu Dhabi Bank PJSC and Société Générale on 27 July 2022 for which a portion of £8,510,154 is allocated to the Company. The loan is repayable in July 2027. The financial covenants on this cross guaranteed debt facility are a maximum loan to value ("LTV") of 65% and a minimum of debt yield of 7% and are assessed by the bank on a combined portfolio basis. The first assessment date for the LTV covenant is 27 July 2025 and the debt yield covenant is 30 March 2024. These covenants are then assessed on a quarterly basis.

The Directors have prepared cash flow forecasts which indicate that the Company will have sufficient funds to meet its liabilities as they fall due during the going concern assessment period. Those forecasts cover a period of at least 12 months from the date of approval of these financial statements and are based upon monthly operating budgets, which take into account the expected hotel occupancy levels and rates based upon the known calendar of events in the year and a targeted marketing strategy. The budgets take into account anticipated inflationary increases in costs and in particular increased utility prices and the increase to the National Living Wages.

# **ROSE DIAMOND D LEICESTER 2005 LTD**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 DECEMBER 2022**

#### **3.1 Basis of preparation of financial statements (continued)**

##### **Going concern (continued):**

Based upon those forecasts the Directors have no reason to believe that the covenants will not be met, but in the unlikely event of a breach the Company will be seeking to rely on support, through funding from its parent entity, Platinum Oasis A 2018 RSC Limited, to meet its commitments under the loan and settle its liabilities as they fall due.

The immediate parent undertaking Platinum Oasis A 2018 RSC Limited has indicated their intention that it will provide financial support as and when needed, including the repayment of portfolio debt if required, to allow the Company to continue its operations for a period of at least 12 months from the approval of these financial statements ("the going concern period").

As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of the approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the Company will have adequate cash resources to continue in operational existence, meet its liabilities as they fall due for the going concern period for at least 12 months from the date of the approval of the financial statements. Accordingly, the financial statements have been prepared on the going concern basis.

#### **3.2 Turnover**

Turnover is the value of services and goods sold, within the United Kingdom, as part of the Company's continuing ordinary activities after deducting value added taxes.

##### **(i) Sale of services**

Turnover is recognised on room sales and guest services when rooms are occupied and services have been rendered.

##### **(ii) Sale of goods - retail**

Sales of goods are recognised on sale to the customer which is considered the point of delivery. Retail sales are usually by cash, credit or payment card.

#### **3.3 Interest receivable**

Interest receivable is recognised in the profit and loss account using the effective interest method.

#### **3.4 Interest payable and similar charges**

Interest payable is charged to the profit and loss account 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.

# **ROSE DIAMOND D LEICESTER 2005 LTD**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 DECEMBER 2022**

#### **3.5 Taxation**

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

##### **(i) Current tax**

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

##### **(ii) Deferred tax**

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.



# **ROSE DIAMOND D LEICESTER 2005 LTD**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 DECEMBER 2022**

#### **3.6 Tangible assets**

Tangible assets include a freehold hotel. Land and hotel buildings are stated at fair value, and hotel fixtures and fittings are stated at cost. Hotel refurbishment costs are capitalised in the period in which they are incurred. Repairs and maintenance costs are expensed as incurred.

A full valuation is carried out by a qualified external valuer every year. Revaluation gains are taken to the statement of other comprehensive income unless reversing a previously recognised impairment, when they are recognised in the profit and loss account. Revaluation losses are recognised in the statement of other comprehensive income to the extent that they offset previous revaluation gains. All other losses, including those incurred by a clear consumption of economic benefit, are charged to the profit and loss account. On revaluation of assets carried at fair value, accumulated depreciation at the date of valuation is taken to the statement of other comprehensive income.

Freehold land is not depreciated. Depreciation on hotel buildings, fixtures and fittings is provided at rates calculated to write off the value/cost less estimated residual value of each asset over its expected useful life.

Major refurbishments would be classified as construction in progress and stated at cost. They would be reclassified and depreciated when the related assets are made available for use.

Depreciation is provided on the following basis:

Freehold buildings	– Lesser of estimated useful life and 50 years
Fixtures and fittings	– Between 3 and 25 years

The carrying value of fixtures and fittings is reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable as well as at the end of each reporting period. Any impairment in the value of assets below depreciated cost is charged to the profit and loss account.

#### **3.7 Stocks**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to sell.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the profit and loss account.

#### **3.8 Cash**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Bank overdrafts, when applicable, are shown within borrowings in current liabilities.

# **ROSE DIAMOND D LEICESTER 2005 LTD**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 DECEMBER 2022**

#### **3.9 Financial instruments**

##### **(i) Financial assets**

Basic financial assets, including trade and other debtors, amounts owed by group undertakings and cash and bank balances are initially recognised at transaction price. Such assets are subsequently measured at amortised cost using the effective interest method.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the profit and loss account.

##### **(ii) Financial liabilities**

Basic financial instruments, including trade and other creditors, amounts owed to group undertakings, loans from fellow group companies and bank loans are initially recognised at transaction price.

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

##### **(iii) Offsetting**

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### **3.10 Foreign currency translation**

The Company's functional and presentational currency is pound sterling.

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the profit and loss account.

# **ROSE DIAMOND D LEICESTER 2005 LTD**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 DECEMBER 2022**

#### **3.11 Operating leases: lessee**

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

#### **3.12 Management fees**

Management fees are paid to the hotel's operator and include a base fee, based upon a percentage of hotel revenue and recognised in the year in which the revenue is incurred.

#### **4 Critical accounting judgements and estimation uncertainty**

Estimates and judgements 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.

##### **i. Tangible assets**

Tangible assets are revalued annually by independent valuers to assess the fair value of the hotel assets.

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 10 for the carrying amount of tangible assets and the key assumptions adopted in the valuation of the tangible assets.

##### **ii. Taxes**

Determining income tax provisions involves judgements on the tax treatment of certain transactions. A deferred tax asset is recognised on tax losses not yet used on temporary differences where it is probable that there will be taxable income against which these can be offset. See note 15 for details of deferred tax recognised.

##### **iii. Contingent liabilities**

The Company considers the potential obligations which may be incurred as a result of past events and the uncertainty of the impact on the Company. Where the Company identifies a present obligation for which payment is probable and the amount can be reliably estimated a provision is recognised. See note 18 for the details.

# ROSE DIAMOND D LEICESTER 2005 LTD

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 5 Turnover

The total turnover of the Company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

The analysis of turnover by class of business is as follows:

	2022 £	2021 £
Room revenue	4,618,086	2,459,152
Food and beverages	2,549,932	1,275,086
Other income	71,722	62,954
	<b>7,239,740</b>	<b>3,797,192</b>

#### 6 Impairment (charge)/reversal - tangible assets

	2022 £	2021 £
Impairment (charge)/reversal - tangible assets (note 10)	<b>(647,435)</b>	1,513,225

The directors have considered the carrying value of the company's hotel asset following a valuation by CBRE Hotels Ltd dated 31 December 2022 carried out in accordance with the RICS valuation - Professional Standards effective from January 2022. This resulted in a charge of £647,435 (2021: reversal of £1,513,225).

#### 7 Operating (loss)/profit

The audit fees for the year were £69,554 (2021: £55,117). There were no non-audit fees for the current or previous financial year.

The depreciation charge for the year was £432,744 (2021: £458,218).

#### 8 Staff costs

The Company had no employees other than the directors during the year ended 31 December 2022 or the previous financial year.

The directors emoluments in respect of their services to the Company during the year ended 31 December 2022 or the previous financial year were incidental.

# ROSE DIAMOND D LEICESTER 2005 LTD

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 9 Taxation

There is no current or deferred tax for the financial year ended 31 December 2022 or the previous financial year.

#### Factors affecting the tax credit for the year

The tax assessed for the year is higher (2021: lower than) the standard rate of corporation tax in the UK of 19% (2021: 19%). The differences are explained below:

	2022 £	2021 £
(Loss)/profit on ordinary activities	(989,345)	713,141
(Loss)/profit before taxation multiplied by standard rate of corporation tax in the UK of 19% (2021: 19%)	(187,976)	135,497
<b>Effects of:</b>		
Expenses not deductible for tax purposes	1,039	–
Unrecognised deferred tax	194,053	(157,908)
Impairment of assets	(7,116)	22,411
<b>Total tax credit for the year</b>	<b>–</b>	<b>–</b>

#### Factors that may affect future tax charges

An increase in the UK corporation rate from 19% to 25% (effective 1 April 2023) was substantively enacted on 24 May 2021. This will increase the company's future current tax charge accordingly. The deferred tax liability at 31 December 2022 has been calculated based on these rates, reflecting the expected timing of reversal of the related timing differences (2021: 25%).

**ROSE DIAMOND D LEICESTER 2005 LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**10 Tangible assets**

	Freehold land and buildings (At valuation) £	Fixtures and fittings (At cost) £	Construction in progress (At cost) £	Total £
<b>Valuation/cost</b>				
At 1 January 2022	14,057,711	10,282,032	2,201	<b>24,341,944</b>
Additions	–	74,804	5,376	<b>80,180</b>
Revaluation	(647,435)	–	–	<b>(647,435)</b>
Reversal of depreciation on revaluation	(75,136)	–	–	<b>(75,136)</b>
Transfers between classes	–	7,577	(7,577)	<b>–</b>
<b>At 31 December 2022</b>	<b>13,335,140</b>	<b>10,364,413</b>	<b>–</b>	<b>23,699,553</b>
<b>Accumulated depreciation</b>				
At 1 January 2022	–	8,541,944	–	<b>8,541,944</b>
Charge for the year	75,136	357,609	–	<b>432,745</b>
Reversal on revaluation	(75,136)	–	–	<b>(75,136)</b>
<b>At 31 December 2022</b>	<b>–</b>	<b>8,899,553</b>	<b>–</b>	<b>8,899,553</b>
<b>Net book value</b>				
At 31 December 2022	<b>13,335,140</b>	<b>1,464,860</b>	<b>–</b>	<b>14,800,000</b>
At 31 December 2021	14,057,711	1,740,088	2,201	15,800,000

Following a valuation by CBRE Hotels Ltd dated 31 December 2022, the directors have revalued the Company's hotel asset to £14,800,000 (2021: £15,800,000). The valuation was carried out in accordance with the RICS Valuation - Professional Standards effective from January 2022.

The fair value was measured on the basis of future earning potential. CBRE Hotels Ltd, prepare an income and expenditure forecast which is then capitalised using discounted cash flow model. The capitalisation rate is selected by taking into account market transactions and factors such as age, location and condition of the property. Any capital expenditure, which an investor would require to spend in the foreseeable future, would be deducted from the investment value. The key assumptions applied in determining the fair value of the hotel asset are discount rate, terminal cap rate and long term growth rate.

The valuation has been incorporated into the financial statements, the resulting impairment charge has been taken to the profit and loss account. The revaluation during the year ended 31 December 2022 resulted in a revaluation deficit of £647,435 (2021: surplus of £1,513,225).

If the land and buildings had not been included at valuation they would have been included at the following amounts:

	2022 £	2021 £
Cost	27,112,802	27,112,802
Accumulated depreciation/ impairment	(13,777,662)	(13,055,091)
<b>Net book value based on historical cost</b>	<b>13,335,140</b>	<b>14,057,711</b>

**ROSE DIAMOND D LEICESTER 2005 LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**11 Stocks**

	2022 £	2021 £
Finished goods and goods for resale	31,637	18,189

**12 Debtors**

	2022 £	2021 £
<b>Amounts falling due within one year</b>		
Trade debtors	353,977	277,726
Amounts owed by group undertakings	1,561,899	1,319,525
Other debtors	1,125	101,944
Prepayments and accrued income	124,523	155,417
	<b>2,041,524</b>	<b>1,854,612</b>

Amounts owed by group undertakings was unsecured, interest free and repayable on demand.

Trade debtors are stated after provisions for impairment of £2,896 (2021: £2,710).

**13 Creditors: amounts falling due within one year**

	2022 £	2021 £
Bank loans (net of issue costs)	–	8,654,481
Trade creditors	359,744	242,545
Other creditors	–	2,465
Accruals and deferred income	758,566	511,573
	<b>1,118,310</b>	<b>9,411,064</b>

**ROSE DIAMOND D LEICESTER 2005 LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**14 Creditors: amounts falling due after more than one year**

	2022	2021
	£	£
Bank loans (net of issue costs)	<b>8,510,154</b>	–

On 27 July 2022, the company entered into a group facility agreement with two new lenders, First Abu Dhabi Bank PJSC and Société Générale. The Company, as a borrower under the facility, received a loan of £8,620,272. See note 18 for further details of contingent liabilities.

The Company used the above loan proceeds to repay its existing loan of £8,662,318 in full. Unamortised arrangement fees on this loan amounting to £7,837 were taken to the profit and loss account during the year and are shown within interest payable and other charges.

The new bank loan is repayable on 26 July 2027. Interest is accrued daily at the SONIA Compounded Reference Rate for that day plus 2.75% and paid quarterly. The covenant within this loan are a maximum LTV of 65% and a minimum of Debt Yield of 7%. Loan arrangement fees of £120,471 were capitalised and are being amortised over the loan term. The loan is shown net of these deferred fees. At 31 December 2022, the unamortised arrangement fees were £110,118.

**15 Deferred taxation**

A deferred tax asset of £3,099,908 (2021: £2,846,098) arising from capital and trading losses has not been recognised as there is insufficient evidence of future taxable profits to confirm recoverability in the foreseeable future.

**16 Share capital**

	2022	2021
	£	£
<b>Allotted, called up and fully paid</b>		
10,278,642 (2021: 10,278,642) ordinary shares of £1 each	<b>10,278,642</b>	10,278,642

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

**17 Capital commitments**

At 31 December, the Company had capital commitments as follows:

	2022	2021
	£	£
Contracts for future capital expenditure not provided in the financial statements	<b>114,022</b>	13,889



**ROSE DIAMOND D LEICESTER 2005 LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**18 Contingent liabilities**

The Company and several fellow group undertakings entered into a facility agreement with a number of third parties, in respect of a bank loan.

This loan is secured by way of a fixed and floating charge over the present and future property and assets of this Company and the property and assets of the fellow group undertakings.

The directors do not anticipate the security being called in.

**19 Related party transactions**

The Company has taken advantage of the exemption available in accordance with FRS 102, section 33, not to disclose transactions with companies that are wholly owned within the Platinum Oasis A 2018 RSC Limited group.

**20 Immediate and ultimate parent undertakings and controlling party**

The immediate undertaking is Platinum Dunes C 2019 RSC Limited a company registered in the Abu Dhabi Global Market.

The ultimate controlling entity is Abu Dhabi Investment Authority, a public institution established by the Government of the Emirate of Abu Dhabi in 1976 as an independent investment institution.

**21 Post balance sheet events**

There have been no significant events after the balance sheet date and up to the date of signing these financial statements.