

Registration number: 05385882
(England and Wales)

Ribbon Acquisition Limited

Annual Report and Financial Statements

For the year ended 31 December 2020

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Ribbon Acquisition Limited

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Ribbon Acquisition Limited

Company Information

Directors	SM Teasdale E Kassianos
Company secretary	R Sooriah
Company number	05385882
Registered office	Holiday Inn London Heathrow M4 J4 Sipson Road West Drayton UB7 0JU
Auditors	BDO LLP Statutory Auditor United Kingdom

Ribbon Acquisition Limited

Directors' Report

For the year ended 31 December 2020

The directors present their report and the financial statements for the year ended 31 December 2020.

This report has been prepared in accordance with the special provisions of section 381 of the Companies Act 2006 relating to small companies. The directors has taken exemption under this regime not to disclose the strategic report.

Principal activity

The principal activity of the company is that of an intermediate holding company and provides financing to a group of subsidiaries owning investment properties in the United Kingdom.

Business review

Fair review of the business

The company's financial statements show a profit after tax for the year of £(1.9)m (2019: profit of £37.0m). The performance and financial position of the company is measured on how it complements the group operations. The company's development to date, performance and the financial position as reflected in the financial statements is satisfactory.

Financial instruments

Objectives and policies

The main risks arising from the company's financial instruments are liquidity and interest rate risks. The Board reviews and agrees policies for managing these risks and is summarized below.

Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when they fall due without incurring unacceptable losses or risking damage to the group's reputation. The company uses cash flow forecasting tool to monitor its cash flow requirements. The company's investees operate in the hotel industry which generates sufficient liquid cash to meet the group's operating and financing cash outflows.

Ribbon Acquisition Limited

Directors' Report

For the year ended 31 December 2020 (continued)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the company's interest bearing financial instruments will fluctuate because of changes in market interest rates. The company is exposed to interest rate risk because it borrows funds at interest rates based on Libor. The positions held are closely monitored by the management and reviewed to align to positions with market expectations.

Dividends

The directors do not recommend a dividend for the current period. No dividend was paid in the current or prior period.

Directors of the company

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

DMA Beveridge (resigned 19 June 2020)

SM Teasdale

E Kassianos (appointed 19 June 2020)

Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware. This confirmation is given and should be interpreted in accordance with the provision of section 418 of the Companies Act 2006.

Appointment of auditors

BDO LLP have been appointed as the company's auditors.

Approved by the Board on 29 September 2021 and signed on its behalf by:

DocuSigned by:



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E Kassianos

Director

Ribbon Acquisition Limited

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework' ('FRS 101'). 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 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.

Ribbon Acquisition Limited

Independent Auditor's Report to the Members of Ribbon Acquisition 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 31 December 2020 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 Ribbon Acquisition Limited (the 'company') for the year ended 31 December 2020, which comprise the Income Statement, Statement of Financial Position, Statement of Changes in Equity, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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.

Ribbon Acquisition Limited

Independent Auditor's Report to the Members of Ribbon Acquisition Limited (continued)

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report and Financial Statements, 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.

Other Companies Act 2006 reporting

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

- information given in and 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 any 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 from the requirement to prepare a Strategic report.

Responsibilities of directors

As explained more fully in the Directors' Responsibility 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.

Ribbon Acquisition Limited

Independent Auditor's Report to the Members of Ribbon Acquisition Limited (continued)

Auditor's responsibilities for the audit of the financial statements

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

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:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience through discussion with the directors and other management (as required by auditing standards).
- We had regard to laws and regulations in areas that directly affect the financial statements including financial reporting (including related company legislation) and taxation legislation. We considered that extent of compliance with those laws and regulations as part of our procedures on the related financial statement items.
- With the exception of any known or possible non-compliance, and as required by auditing standards, our work in respect of these was limited to enquiry of the directors.
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.
- Our tests included agreeing the financial statement disclosures to underlying supporting documentation where relevant.
- We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates, in particular impairment reviews for investments and related party receivables, and cash flow forecasts supporting the going concern assessment, are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

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

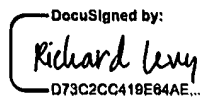
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Ribbon Acquisition Limited

Independent Auditor's Report to the Members of Ribbon Acquisition Limited (continued)

Use of our report

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

DocuSigned by:

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Richard Levy (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London, United Kingdom

30 September 2021
Date:.....

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

Ribbon Acquisition Limited

Income Statement

For the year ended 31 December 2020

	Note	2020 £ 000	2019 £ 000
Administrative expenses		(386)	(1,761)
Other operating income	4	-	1,084
Other gains	5	2,371	37,697
Operating profit	6	1,985	37,020
Finance income	7	6	11
Profit before tax		1,991	37,031
Tax charge	10	(105)	(2)
Profit for the year		1,886	37,029
Profit attributable to:			
Owners of the company		1,886	37,029

The above results were derived from continuing operations.

There is no other comprehensive income for the period other than those included above, therefore a statement of other comprehensive income has not been presented.


Ribbon Acquisition Limited

Statement of Financial Position At 31 December 2020

	Note	2020 £ 000	2019 £ 000
Assets			
Current assets			
Trade and other receivables	12	732,138	673,771
Cash and cash equivalents	13	16,336	14,847
		<u>748,474</u>	<u>688,618</u>
Equity and liabilities			
Equity			
Called up share capital	14	5,000	5,000
Retained earnings		656,782	654,896
		<u>661,782</u>	<u>659,896</u>
Current liabilities			
Trade and other payables	15	86,692	25,951
Income tax liability	10	-	2,771
		<u>86,692</u>	<u>28,722</u>
Total equity and liabilities		<u>748,474</u>	<u>688,618</u>

The notes on pages 12 to 22 form an integral part of these financial statements.

Approved by the Board on 29 September 2021 and signed on its behalf by:

DocuSigned by:

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 E Kassianos
 Director

Company registered number: 05385882

Ribbon Acquisition Limited

Statement of Changes in Equity *For the Year Ended 31 December 2020*

	Share capital £ 000	Retained earnings £ 000	Total £ 000
At 1 January 2019	5,000	617,867	622,867
Profit for the year	-	37,029	37,029
At 31 December 2019	5,000	654,896	659,896

	Share capital £ 000	Retained earnings £ 000	Total £ 000
At 1 January 2020	5,000	654,896	659,896
Profit for the year	-	1,886	1,886
At 31 December 2020	5,000	656,782	661,782

Ribbon Acquisition Limited

Notes to the Financial Statements

For the year ended 31 December 2020

1 General information

Ribbon Acquisition Limited (the company) is a private company limited by shares, incorporated and domiciled in the United Kingdom under the Companies Act 2016 and registered in England. The address of its registered office is disclosed in the company information. The principal activity of the company is described in the Directors' report.

2 Accounting policies

(a) Basis of preparation

The company meets the definition of a qualifying entity under FRS 100 'Application of Financial Reporting Requirements' issued by the Financial Reporting Council. These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework.

The financial statements have been prepared on the historical cost basis and in accordance with the Companies Act 2006.

The presentation and functional currency of the company is pounds sterling. The financial statements are presented in thousands of pounds (£'000) unless stated otherwise.

(b) Summary of disclosure exemptions

The following exemptions from the requirements of IFRS have been applied in preparation of these financial statements, in accordance with FRS 101:

- The following paragraphs of IAS 1 Presentation of financial statements:
 - 10(d) statement of cash flows
 - 16 statement of compliance with all IFRS
 - 134-136 capital management disclosures,
- Paragraph 30 and 31 of IAS 8, disclosure and impact of new IFRSs that has been issued but not yet effective, and
- The requirements in IAS 24 of Related party disclosures, to disclose related party transactions entered between two or more members of a group.

Where relevant equivalent disclosures have been given in the consolidated financial statements of Vivion Investments Sarl which will be available to the public and can be obtained from 155 rue Cents, L-1319, Luxembourg.

Ribbon Acquisition Limited

Notes to the Financial Statements

For the year ended 31 December 2020 (continued)

2 Accounting policies (continued)

(c) Consolidation exemption

The financial statements contain information about Ribbon Acquisition Limited as an individual company and do not contain consolidated financial information as the parent of a group.

The company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, Vivion Investments Sarl, a company incorporated in Luxembourg.

(d) Going concern

The company is part of a sub group headed by UK Investment Company 210 Limited. The company assesses its going concern basis of preparation on a group wide basis. The group meets its day to day working capital requirements from normal trading activities through its investment in a portfolio of hotels.

The COVID-19 outbreak was declared a pandemic in March 2020, subsequent to the year end. It has had a significant impact on the global and UK economy and on businesses in general and, in particular, on the hospitality sector. It is too early to know the precise eventual impact this will have on our tenants for the next twelve months and beyond, as the situation is constantly evolving.

The directors have prepared cash flow forecasts for the group headed by UK Investment Company 210 Limited for a period of 12 months from the date of signing these accounts, which reflect their current best estimate of the impact of COVID-19. These forecasts show that the group and the company are expected to be able to meet their obligations and liabilities as they fall due for the next 12 months.

The company is party and co-guarantor together with fellow subsidiary and related undertakings ("the Borrowing Group") to a loan facility. As a result of the impact on the business of the pandemic, on 10 July 2020 the Borrowing Group obtained a covenant waiver on its loan facility, subject to certain conditions imposed to protect the lender's position. The waiver was granted in connection with COVID-19 and the resultant temporary closure of certain of the hotels, with a view to enabling the Borrowing Group to manage its business without breaching obligations under the loan agreement. The covenant waiver was initially for a period up to but excluding the interest payment date falling on 13 July 2021. On 10 April 2021 an extension of the covenant waiver period was granted to cover the period up to but excluding the interest payment date falling on 13 July 2022.

In addition the company's parent undertaking and subsidiary undertakings have confirmed that they will not call for repayment of balances due to them for a period of 12 months from the date of signing these financial statements unless the company is able to make such repayment and still continue in operation in meeting its liabilities as and when they fall due.

In view of the above the Directors have therefore concluded that they consider it appropriate for the financial statements to be prepared on a going concern basis.

Ribbon Acquisition Limited

Notes to the Financial Statements

For the year ended 31 December 2020 (continued)

2 Accounting policies (continued)

(e) Investments

Investments in subsidiary undertakings are stated at cost less provision for impairment.

(f) Financial instruments

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value.

The company's non-derivative financial instruments include loans and receivables and other financial liabilities.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments. These include:

Other receivables

Other receivables are initially recognised at fair value, based upon discounted cash flows at prevailing interest rates for similar instruments, or at their nominal amount less expected credit losses if due in less than 12 months. Subsequent to initial recognition, other receivables are valued at amortised cost less expected credit losses.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. The cash and cash equivalents are stated at their nominal values, as this approximates to amortised cost.

Other financial liabilities

Other financial liabilities (including loans and borrowings and other payables) are subsequently measured at amortised cost using the effective interest method.

Other payables

Other payables are initially recognised at fair value, based upon the nominal amount outstanding. Subsequent to initial recognition, they are recorded at amortised cost.

Effective interest method

The effective interest method 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 (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Ribbon Acquisition Limited

Notes to the Financial Statements

For the year ended 31 December 2020 (continued)

2 Accounting policies (continued)

(f) Financial instruments (continued)

Impairment of financial assets

The company always recognises expected credit losses for other receivables. The expected credit losses on these financial assets are estimated using a provision matrix 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 direction of conditions at the reporting date, including time value of money where appropriate.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate. The carrying amount of the financial asset is reduced by the impairment loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

De-recognition of financial assets

The company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. Any interest in such transferred financial assets that is created or retained by the company is recognised as a separate asset or liability.

De-recognition of financial liabilities

The company derecognises financial liabilities when, and only when, the company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

(g) Taxation

Tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the period. Taxable profit differs from 'profit before tax' as reported in profit and loss account because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Ribbon Acquisition Limited

Notes to the Financial Statements

For the year ended 31 December 2020 (continued)

3 Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors of the company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty

The key source of estimation uncertainty at the balance sheet date, that may have a significant risk of causing a material adjustment to the carrying amounts of assets within the next financial year, are discussed below.

Impairment of investment in subsidiary undertakings

Determining whether the company's investment in subsidiary undertakings have been impaired requires estimations of the investment's values in use. The value in use calculations require the entity to estimate the future cash flows expected to arise from the investment and suitable discount rates in order to calculate present values. Based on the assessment made during the year, the investment in subsidiary undertakings is not considered to be impaired, refer to note 11.

Impairment of related party receivables

The recoverability of related party receivables are assessed based on factors specific to each individual receivable. Based on the assessment made during the year related party receivables are considered to be impaired, refer to note 12.

4 Other operating income

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

	2020 £ 000	2019 £ 000
Miscellaneous other operating income	-	1,084

Ribbon Acquisition Limited

Notes to the Financial Statements

For the year ended 31 December 2020 (continued)

5 Other gains and losses

The analysis of the company's other gains and losses for the year is as follows:

	2020	2019
	£ 000	£ 000
Gain on reversal of/(loss on) impairment of related party receivables	2,371	(4,057)
Gain from disposals of investments	-	41,754
	<u>2,371</u>	<u>37,697</u>

6 Operating profit

The company had no employees and incurred no staff costs in the current or prior period.

7 Finance income

	2020	2019
	£ 000	£ 000
Interest income on bank deposits	<u>6</u>	<u>11</u>

8 Directors' remuneration

The directors received no emoluments or benefits from the company for their services in the current or prior period.

9 Auditor's remuneration

Auditor's remuneration of £4,100 (2019: £3,000) has been borne by a fellow group undertaking in the current and prior year.

Ribbon Acquisition Limited

Notes to the Financial Statements

For the year ended 31 December 2020 (continued)

10 Income tax

Tax charge in the income statement:

	2020 £ 000	2019 £ 000
Current taxation		
UK corporation tax adjustment to prior periods	105	2
Total tax expense in the income statement	105	2

Factors affecting current tax charge for the period

The tax on profit before tax for the year on ordinary activities is lower than the standard rate of corporation tax in the UK (2019: lower than the standard rate of corporation tax in the UK) of 19% (2019: 19%).

The differences are reconciled below:

	2020 £ 000	2019 £ 000
Profit before tax	1,991	37,031
Corporation tax at standard rate	378	7,036
Effects of:		
Income not chargeable for tax purposes	(450)	(7,934)
Expenses not deductible for tax purposes	-	895
Group relief not recognised	72	3
Adjustments in respect of previous years	105	2
Total tax charge	105	2

Factors affecting the tax charge in future years

The standard rate of corporation in the UK was changed from 20% to 19% with effect from 1 April 2017. In the 2016 Budget, the government announced a further reduction in the rate to 17% for the financial year beginning from 1 April 2020. This reduction was overturned by legislation passed in March 2020 with the effect that the corporation tax rate remains at 19%. The deferred tax balance as at the balance sheet date is recognised at this rate.

In its 2021 Budget, the government announced an increase in the standard rate of corporation tax from 19% to 25%, taking effect from 1 April 2023. The company is yet to consider the impact of this rate change in its deferred tax balance.

Ribbon Acquisition Limited

Notes to the Financial Statements

For the year ended 31 December 2020 (continued)

11 Investments

Subsidiaries

£

Cost

At 1 January 2020	19
At 31 December 2020	19
Net book value	
At 31 December 2020	19

Details of the subsidiaries as at 31 December 2020 are as follows:

Name of subsidiary	Principal activity	Ownership interest in ordinary shares (%)	
		2020	2019
R. Birmingham Propco Limited	Property investment	100%	100%
R. Heathrow Propco Limited	Property investment	100%	100%
R. Manchester Propco Limited	Property investment	100%	100%
Ribbon Birmingham Limited*	Investment	100%	100%
Ribbon Heathrow Limited*	Investment	100%	100%
Ribbon Manchester Airport Limited*	Investment	100%	100%
R. Basildon Propco Limited	Property investment	100%	100%
Ribbon Basildon Limited*	Investment	100%	100%
Ribbon Brentwood Limited*	Investment	100%	100%
Ribbon Bristol Limited*	Investment	100%	100%
R. Brentwood Propco Limited	Property investment	100%	100%
Ribbon Cambridge Limited*	Investment	100%	100%
Ribbon Cardiff Limited*	Investment	100%	100%
Ribbon Edinburgh Limited*	Investment	100%	100%
Ribbon Glasgow Airport Limited*	Investment	100%	100%
Ribbon Guildford Limited*	Investment	100%	100%
Ribbon Brent Cross Limited*	Investment	100%	100%
R. Bristol Propco Limited	Property investment	100%	100%
Ribbon Heathrow Ariel Limited*	Investment	100%	100%
Ribbon Heathrow M4 J4 Limited*	Investment	100%	100%
Ribbon Regents Park Limited*	Investment	100%	100%
Ribbon Sutton Limited*	Investment	100%	100%

Ribbon Acquisition Limited

Notes to the Financial Statements

For the year ended 31 December 2020 (continued)

11 Investments (continued)

Name of subsidiary	Principal activity	Ownership interest in ordinary shares (%)	
		2020	2019
Ribbon Maidenhead Limited*	Investment	100%	100%
Ribbon Milton Keynes Limited*	Investment	100%	100%
Ribbon Oxford Limited*	Investment	100%	100%
R. Cambridge Propco Limited	Property investment	100%	100%
R. Edinburgh Propco Limited	Property investment	100%	100%
R. Cardiff Propco Limited	Property investment	100%	100%
R. Glasgow Propco Limited	Property investment	100%	100%
R. Guildford Propco Limited	Property investment	100%	100%
R. Brent Cross Propco Limited	Property investment	100%	100%
R. Heathrow Ariel Propco Limited	Property investment	100%	100%
R. Heathrow M4 J4 Propco Limited	Property investment	100%	100%
R. Regents Park Propco Limited	Property investment	100%	100%
R. Sutton Propco Limited	Property investment	100%	100%
R. Maidenhead Propco Limited	Property investment	100%	100%
R. Milton Keynes Propco Limited	Property investment	100%	100%
R. Oxford Propco Limited	Property investment	100%	100%

* indicates direct investment by the company.

All subsidiaries have a registered office address at Holiday Inn London Heathrow M4 J4, Sipson Road, West Drayton, UB7 0JU, United Kingdom, except for the R. Propco subsidiaries that have a registered office address at 22 Grenville Street, St Helier, JE4 8PX, Jersey.

12 Trade and other receivables

	2020 £ 000	2019 £ 000
Trade receivables	14	15
Other receivables	12,610	2,395
Receivables from related parties	719,514	671,361
	732,138	673,771

The receivables from related parties are recoverable on demand, bear no interest and include an expected credit loss of £1.7m (2019: £4.1m). Other receivables are payments on account to HMRC of £11.9m (2019: £nil) in relation to corporation tax owed by subsidiaries of the company.

Ribbon Acquisition Limited

Notes to the Financial Statements

For the year ended 31 December 2020 (continued)

13 Cash and cash equivalents

	2020 £ 000	2019 £ 000
Cash at bank	<u>16,336</u>	<u>14,847</u>

14 Share capital

Allotted, called up and fully paid shares

	2020		2019	
	No. 000	£ 000	No. 000	£ 000
Ordinary shares of £1 each	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>

15 Trade and other payables

	2020 £ 000	2019 £ 000
Trade payables	1	380
Accrued expenses	154	-
Payables to related parties	86,444	25,332
Social security and other taxes	-	135
Other payables	<u>93</u>	<u>104</u>
	<u>86,692</u>	<u>25,951</u>

The payables to group entities bear no interest and are repayable on demand.

Ribbon Acquisition Limited

Notes to the Financial Statements

For the year ended 31 December 2020 (continued)

16 Parent and ultimate parent undertaking

The company's immediate parent is Ribbon Bidco Limited, a company incorporated in the United Kingdom. Its registered address is Holiday Inn London Heathrow M4 J4, Sipson Road, West Drayton, UB7 0JU, United Kingdom. The ultimate controlling party is Turanco Investment Limited, a company incorporated in Cyprus.

The largest group to consolidate these financial statements is Turanco Investment Limited. The consolidated financial statements of Turanco Investment Limited for the year ended 31 December 2020 are available to the public and may be obtained from the principal place of business, Vyzantiou 30, Office 31, Strovolos, 2064, Nicosia, Cyprus.

The smallest group to consolidate these financial statements is Vivion Investments Sarl. The consolidated financial statements of Vivion Investments Sarl for the year ended 31 December 2020 are available to the public and may be obtained from the registered office 155 rue Cents, L-1319, Luxembourg.