

Jurys Inns (UK) Limited

*Directors' report and
financial statements*

Year ended 31 December 2019

Registered number: 06063534



Jurys Inns (UK) Limited

Directors' report and financial statements

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Jurys Inns (UK) Limited

Directors and other information

Directors

Liia Nõu
Soren Jonas Torner
Daniel Marc Richards Jaffe
Andrea Ayodele Williams

Secretary

Intertrust (UK) Limited

Registered office

1 Bartholomew Lane
London
United Kingdom
EC2N 2AX

Solicitors

Freshfields Bruckhaus Deringer LLP
65 Fleet Street
London
EC4Y 1HT
England

Registered number

06063534

Jurys Inns (UK) Limited

Directors' report *(continued)*

Directors' report

The directors submit their annual report together with the audited financial statements of Jurys Inns (UK) Limited ("the Company") for the year ended 31 December 2019.

Principal activities, business review and future developments

The Company is part of a leading hotel group which operates premium budget hotels in the United Kingdom. The hotels cater for a wide market with the business and tourism sectors being the most important sources of revenue and profit.

The Company has sold its investments during the year under review and is currently dormant.

Principal risks and uncertainties

The Company's future performance will be affected by general economic, financial and business conditions, many of which are beyond the Company's control.

The hotel industry's performance is closely aligned to the general economic environment. Therefore, a key risk facing the Company is adverse economic conditions.

Results and dividends

The results of the Company for the year are set out in the profit and loss account on page 5 and in the related notes. No dividend was paid or proposed during the year.

Directors and secretary and their interests

The directors of the Company are set out on page 1.

Going concern

As at 31 December 2019, the Company had a net asset position of £120 million (*2018: net asset position of £138 million*). The Company is dependent upon its parent undertaking, Pandox Group DAC, to enable it to continue for the foreseeable future. The directors of the Company believe that such support will remain available to the Company.

The directors are satisfied that it is appropriate to prepare the financial statements on a going concern basis.

Political donations and charitable contributions

The Company made no political donations or charitable donations during the year (*2018: Nil*).

Subsequent events

The existence of the novel Coronavirus (Covid-19) was confirmed in early 2020 and has spread across mainland China and beyond, causing disruptions to businesses and economic activity. The Company considers this outbreak to be a non-adjusting post balance sheet event. As the situation is fluid and rapidly evolving, we do not consider it practicable to provide a quantitative estimate of the potential impact of this outbreak on the Company.

The Company itself has sufficient liquidity to be able to pay its own expenses, which are limited to some general expenses the Company needs to make. The Company tries to limit the expenses as much as possible.

Jurys Inns (UK) Limited

Directors' report *(continued)*

Subsequent events *(continued)*

As a result, whilst uncertain, the directors do not believe, however, that the impact of the Covid-19 virus would have a material adverse effect on our financial condition or liquidity of the Company.

Small companies' exemption

The Company qualifies as a small company in accordance with sections 381-383 of the Companies Act 2006 (the "Act"). The directors' report has therefore been prepared taking into consideration the entitlement to small companies exemption provided in section 414B (as incorporated to the Act by the Strategic Report and Directors' Report Regulations 2013) and 415A of the Act.

On behalf of the board



Soren Jonas Torner
Director



Daniel Jaffe
Director

26th June 2020

Jurys Inns (UK) Limited

Statement of directors' responsibilities in respect of the directors' report and the financial statements

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 FRS 101 *Reduced Disclosure Framework*.

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 assets, liabilities and financial position of the Company and of its profit or loss for that year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.
- 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 which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the Company and enable them to ensure that the financial statements comply with the Companies Act 2014. They are responsible for such internal controls as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, 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. The directors are also responsible for preparing a directors' report that complies with the requirements of the Companies Act 2014.

On behalf of the board



Soren Jonas Torner
Director



Daniel Jaffe
Director

26th June 2020

Jurys Inns (UK) Limited

Profit and loss account and other comprehensive income for the year ended 31 December 2019

	<i>Note</i>	2019 £'000	2018 £'000
Turnover	3	-	341,020
Loss on sale of investments	4	-	(19,153)
General operating costs		(29)	-
Interest payable and similar charges	5	(17,834)	(13,581)
		<hr/>	<hr/>
(Loss)/profit before taxation		(17,863)	308,286
Income tax benefit	6	333	328
(Loss)/profit for the year		(17,530)	308,614
		<hr/>	<hr/>

The Company had no other comprehensive income during the current or preceding financial year and accordingly no statement of comprehensive income is presented.

The accompanying notes form an integral part of these financial statements.

Jurys Inns (UK) Limited

Balance sheet as at 31 December 2019

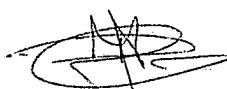
	Note	2019 £'000	2018 £'000
Fixed assets			
Financial assets		-	-
Intercompany loan receivable		<u>554,938</u>	<u>542,684</u>
Current assets			
Debtors	7	32,463	41,317
Taxes		<u>2,962</u>	-
		35,425	41,317
Current liabilities			
Creditors	8	(469,964)	(446,400)
Deferred tax asset	9	-	328
		<u></u>	<u></u>
Net current liabilities		<u>(434,538)</u>	<u>(404,755)</u>
Total assets less current liabilities		120,399	137,929
Creditors: amounts falling due after more than one year		-	-
		<u></u>	<u></u>
Net assets		120,399	137,929
		<u></u>	<u></u>
Capital and reserves			
Called up share capital	10	83,760	83,760
Retained earnings		<u>36,639</u>	<u>54,169</u>
		<u></u>	<u></u>
Shareholders' capital		120,399	137,929
		<u></u>	<u></u>

The accompanying notes form an integral part of these financial statements.

On behalf of the board



Soren Jonas Torner
Director



Daniel Jaffe
Director

26th June 2020

Jurys Inns (UK) Limited

Statement of changes in equity for the year ended 31 December 2019

	Share capital £'000	Retained earnings £'000	Total £'000
At 1 January 2018	83,760	(254,445)	(170,684)
Comprehensive income			
Profit for the year	-	308,614	308,614
	<hr/>	<hr/>	<hr/>
At 1 January 2019	83,760	54,169	137,929
Comprehensive income			
Loss for the year	-	(17,530)	(17,530)
	<hr/>	<hr/>	<hr/>
At 31 December 2019	83,760	36,639	120,399
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The accompanying notes form part of these financial statements.

Jurys Inns (UK) Limited

Notes

forming part of the financial statements

1 Reporting entity

Jurys Inns (UK) Limited is a company incorporated in the United Kingdom. The Company's registered office is 1 Bartholomew Lane, London, United Kingdom, EC2N 2AX. The registered number is 06063534.

2 Accounting policies

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101").

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("EU IFRS"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

In these financial statements, the Company has adopted certain disclosure exemptions available under FRS 101. These include:

- a cash flow statement and related notes;
- disclosures in respect of the compensation of key management personnel;
- disclosures in respect of transactions with wholly owned subsidiaries;
- disclosures in respect of capital management;
- certain comparative information; and
- the effects of new but not yet effective IFRSs.

As the consolidated financial statements of Amaris Hospitality DAC include the equivalent disclosures, the Company has also taken the exemption under FRS 101 available in respect of the following:

- Certain disclosures required by IFRS 13 *Fair Value Measurement* and the disclosures required by IFRS 7 *Financial Instrument Disclosures*; and
- Certain disclosures required by IAS 36 *Impairment of Assets*.

Basis of measurement

The financial statements have been prepared on the historical cost basis.

Functional currency

These financial statements are presented in Sterling, being the functional currency of the Company. All financial information presented in Sterling has been rounded to the nearest thousand, except where otherwise stated.

Foreign currency

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction or, if hedged, at the contracted rate. Foreign currency monetary assets and liabilities are translated at the rate ruling at the balance sheet date. All gains and losses arising are reflected in the profit and loss account.

Jurys Inns (UK) Limited

Notes *(continued)*

2 Accounting policies *(continued)*

Going concern

As at 31 December 2019 the Company had net current liabilities of £435 million (2018: £405 million) and net liabilities of £120 million (2018: £138 million). The Company is dependent upon its parent undertaking, Padox Group DAC, to enable it to continue for the foreseeable future. The directors of the Company believe that such support will remain available to the Company and in consequence the financial statements have been prepared on a going concern basis.

The directors are satisfied that it is appropriate to prepare the Company financial statements on a going concern basis.

Financial fixed assets

Investments in subsidiaries are held at cost less provisions for impairments.

Taxation

Income expense comprises current and deferred tax. It is recognised in the income statement except to the extent that it relates to items recognised in OCI or directly in equity, in which case it is recognised in OCI or directly in equity.

Current tax is the expected tax payable on the taxable income for the year using tax rates and laws that have been enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: those differences arising from the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that the Group is able to control the timing of reversal and it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill.

A deferred tax asset is recognised to the extent that it is probable future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Financial instruments

Financial assets and financial liabilities are recognised in the statement of financial position when the Company becomes a party to the contractual provisions of the instrument and are derecognised on the date it ceases to be party, or it transfers the rights to receive the contractual cash flows from the financial asset in a transaction such that substantially all the risks and rewards of ownership of the financial asset are transferred.

Jurys Inns (UK) Limited

Notes (continued)

2 Accounting policies (continued)

Financial instruments (continued)

The Company's financial instruments comprise a deemed loan to the originator, cash and liquid resources, borrowings and various receivables and payables that arise from its operation. These financial instruments are classified as described below:

Trade and other receivables

Trade and other receivables are measured at their nominal amount less any allowance for doubtful amounts. An allowance is made when collection of the full amount is no longer considered probable.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and on demand deposits.

Provisions and contingent liabilities

A provision is recognised when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and the amount of that outflow can be measured reliably. If the effect is material, provisions are measured by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and the risks specific to the liability.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of an outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of an outflow of economic benefits is remote.

Use of estimates and judgements

The reported results of the Company for the year to 31 December 2019 are sensitive to the accounting policies, assumptions and estimates that underlie the preparation of its financial statements. The Company's principal accounting policies are set out above. The preparation of financial statements requires the directors, in preparing the Company's financial statements, to select suitable accounting policies, apply them consistently and make judgements and estimates that are reasonable and prudent.

Fair value of financial instruments

Where the fair value of financial assets and liabilities recorded in the statement of financial position cannot be derived from active markets, they are determined by using valuation techniques and counterparty valuations or discounted cash flows models. The inputs to such models are taken from observable markets where possible but where this is not feasible, a degree of judgement is required in establishing fair values. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Jurys Inns (UK) Limited

Notes (continued)

3. Turnover

	2019 £'000	2018 £'000
Income	-	341,020

4 Loss on sale of investments

	2019 £'000	2018 £'000
Loss on sale of investments	-	19,153

5 Interest payable and similar charges

	2019 £'000	2018 £'000
Interest on amounts due to group undertakings	13,544	13,581
Exchange differences	4,290	-
	17,834	13,581

6 Income tax benefit

	2019 £'000	2018 £'000
Current tax charge	333	-
Deferred tax	-	328
	333	328

Factors that may affect future tax charges

As announced in the March 2020 Budget, the UK's corporation tax will be set at 19% for the financial year beginning 1 April 2020. This maintains the rate at 19%, rather than reducing it to 17% from 1 April 2020. The charge to corporation tax and the main rate will also be set at 19% for the financial year beginning 1 April 2021.

A deferred tax asset was recognised in respect of the previous year as there were profits generated and tax expense relating to those profits had not yet been paid.

Jurys Inns (UK) Limited

Notes (continued)

7 Debtors: amounts falling due within one year	2019	2018
	£'000	£'000
Amounts owed by group undertakings	32,463	41,317

Amounts owed by group undertakings are non-interest bearing and repayable on demand.

8 Creditors: amounts falling due within one year	2019	2018
	£'000	£'000
Accruals	13,551	8
Amounts due to group undertakings	456,413	446,392
	469,964	446,400

Amounts due to group undertakings, falling due within one year, are non-interest bearing and repayable on demand.

9 Deferred tax:	2019	2018
	£'000	£'000
Deferred tax asset	0	328
	0	328

A deferred tax asset was recognised in respect of the previous year as there were profits generated and tax expense relating to those profits had not yet been paid.

10 Share capital	2019	2018
	£'000	£'000
Authorised		
1,000,000 ordinary shares of £1 each	1,000	1,000
150,000,000 "B" ordinary shares of £1 each	150,000	150,000
Allotted, called up and fully paid		
1 ordinary share of £1 each	-	-
122,355,489 "B" ordinary shares of €1 each	83,760	83,760
	83,760	83,760

Jurys Inns (UK) Limited

Notes *(continued)*

10 Share capital (continued)

Holders of ordinary shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company. "A" and "B" ordinary shares have the same rights attached and rank *pari passu* in all respects.

11 Commitments

At 31 December 2019, the Company had no capital commitments (2018: £Nil).

12 Group relationship and controlling parties

The Company's immediate parent is Padox Group DAC.

The Company is an indirect wholly owned subsidiary of Padox AB. The Padox AB consolidated financial statements, which include the results of the Company, are available from <https://www.padox.se>.

The ultimate controlling party of Padox Group DAC is Padox AB.

13 Related parties

The Company has availed exemptions available in FRS 101 from disclosing transactions entered into between two or more members of a group and also key management personnel compensation disclosures.

There were no other related party transactions.

14 Subsequent events

The existence of the novel Coronavirus (Covid-19) was confirmed in early 2020 and has spread across mainland China and beyond, causing disruptions to businesses and economic activity. The Company considers this outbreak to be a non-adjusting post balance sheet event. As the situation is fluid and rapidly evolving, we do not consider it practicable to provide a quantitative estimate of the potential impact of this outbreak on the Company.

The Company itself has sufficient liquidity to be able to pay its own expenses, which are limited to some general expenses the Company needs to make. The Company tries to limit the expenses as much as possible.

As a result, whilst uncertain, the directors do not believe, however, that the impact of the Covid-19 virus would have a material adverse effect on our financial condition or liquidity of the Company.

15 Approval of financial statements

26 June

The financial statements were approved by the directors on 2020.