

# MHG Mezz Borrower Limited

Directors' report and  
financial statements

**Year ended 31 December 2020**

*Registered number: 08313544*



# MHG Mezz Borrower Limited

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# MHG Mezz Borrower Limited

## Directors and other information

### Directors

Marc Socker  
Nasir Pasha  
Jeremy Cape

### Registered office

27 Knightsbridge  
London  
SW1X 7LY

### Bankers

Barclays Bank  
1 Churchill Place  
London  
E14 5HP

### Solicitors

MacFarlanes LLP  
10 Norwich Street  
London  
EC4A 1BD

### Registered number

08313544

# MHG Mezz Borrower Limited

## Directors' report

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

The Company has taken the exemption for small companies in relation to the Strategic report provided by Section 414B of the Companies Act 2006.

### Activities

The principal activity of the company is that of a holding company of companies operating in the hotel and restaurant industry.

### Review of developments and future prospects

The profit and loss account and other comprehensive income is set out on page 5. The profit for the year ended 31 December 2020 before taxation was £nil (2019: £nil).

The directors are currently considering the future activities of the company.

### Dividends

The dividends paid during the year amounted to £nil (2019: £nil).

### Directors and their interests

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

Marc Socker	
Liam Cunningham	resigned on 25 February 2021
Mark Vose	resigned on 25 February 2021
Nasir Pasha	appointed on 25 February 2021
Jeremy Cape	appointed on 25 February 2021

The directors do not hold any material interests in the shares of the company or any other company in the group.

### Political and charitable contributions

The company made no political or charitable contributions during the year (2019: £nil).

# MHG Mezz Borrower Limited

## Directors' report (*continued*)

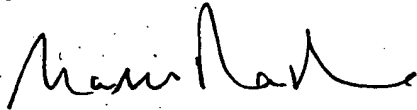
### Going Concern

The directors have a reasonable expectation that the company has adequate resources to continue operations for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

### Auditor

The annual accounts have not been audited because the Company is entitled to the exemption provided by section 480(1) of the Companies Act 2006 relating to dormant companies and the members have not required the Company to obtain an audit under section 476(1) of the Companies Act 2006.

Approved by the Board of Directors and signed on behalf of the Board



Nasir Pasha  
*Director*

07 September 2021

# MHG Mezz Borrower Limited

## Statement of directors' responsibilities

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

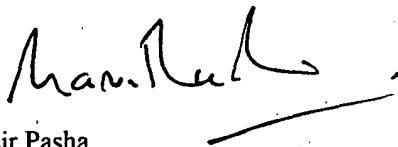
Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice) including FRS 101 *Reduced Disclosure 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 state of affairs of the Company and of the profit or loss of the Company 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; and
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

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 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.

On behalf of the board



Nasir Pasha  
Director

07 September 2021

# MHG Mezz Borrower Limited

Registered number: 08313544

## Statement of comprehensive income for the year ended 31 December 2020

	Note	2020 £	2019 £
Income from shares in group undertakings	4	-	-
		<hr/>	<hr/>
<b>Profit on ordinary activities before tax</b>		-	-
Tax on profit on ordinary activities	5	-	-
		<hr/>	<hr/>
<b>Profit for the financial year</b>		-	-
		<hr/>	<hr/>

The company had no other comprehensive income in the financial year or preceding financial year other than those dealt with in the profit and loss account.

# MHG Mezz Borrower Limited

Registered number: 08313544

## Balance sheet

as at 31 December 2020

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Investments	6	1	1
		<hr/>	<hr/>
<b>Net assets</b>		1	1
		<hr/>	<hr/>
<b>Capital and reserves</b>			
Called up share capital	7	1	1
Profit and loss account		-	-
		<hr/>	<hr/>
<b>Shareholders' funds</b>		1	1
		<hr/>	<hr/>

The annual accounts have not been audited because the Company is entitled to the exemption provided by section 480 of the Companies Act 2006 relating to dormant companies.

The members have not required the Company to obtain an audit under section 476 of the Companies Act 2006.

The Directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

These financial statements were approved by the Board of Directors on 07 September 2021.

Signed on behalf of the Board of Directors



Nasir Pasha  
Director



# MHG Mezz Borrower Limited

Registered number: 08313544

## Statement of changes in equity for the year ended 31 December 2020

	Share capital £	Retained earnings £	Total £
<b>At 1 January 2019</b>	1	-	1
Profit for the financial year	-	-	-
Other comprehensive income	-	-	-
	<hr/>	<hr/>	<hr/>
<b>At 31 December 2019</b>	1	-	1
	<hr/>	<hr/>	<hr/>
Profit for the financial year	-	-	-
Other comprehensive income	-	-	-
	<hr/>	<hr/>	<hr/>
<b>At 31 December 2020</b>	1	-	1
	<hr/>	<hr/>	<hr/>

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

# MHG Mezz Borrower Limited

## Notes

*forming part of the financial statements*

### 1 Statement of compliance

MHG Mezz Borrower Limited is a company incorporated in the UK. The company's registered office is 27 Knightsbridge, London, SW1X 7LY..

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

These financial statements are presented in sterling, being the functional currency of the company.

### 2 Significant accounting policies

#### Basis of preparation

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 the 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 (para 8(h));
- disclosures in respect of the compensation of key management personnel (para 8(j));
- disclosures in respect of transactions with wholly owned subsidiaries (para 8(k));
- certain comparative information (para 8(f)); and
- the effects of new but not yet effective IFRSs (para 8(i));

As the consolidated financial statements of Coroin Limited 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.

# MHG Mezz Borrower Limited

## Notes *(continued)*

### 2 Significant accounting policies *(continued)*

#### **Use of estimates and judgements**

In preparing these financial statements management has made judgements, estimates and assumptions that affect application of the company accounting policies and the reported amounts of assets, liabilities, income and expenses. Such estimates and judgements are based on historical experience and other factors, including expectation of future events that are believed to be reasonable. Actual outcomes may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

#### **Going concern**

The directors have a reasonable expectation that the company has adequate resources to continue operations for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

#### **Tax**

The income tax 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.

# MHG Mezz Borrower Limited

## Notes (continued)

### 2 Significant accounting policies (continued)

#### Interest receivable and interest payable

Interest payable and similar charges include interest payable, finance charges on shares classified as liabilities and finance leases recognised in profit or loss using the effective interest method, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the profit or loss (see foreign currency accounting policy). Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial time to be prepared for use, are capitalised as part of the cost of that asset. Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method. Dividend income is recognised in the profit and loss account on the date the entity's right to receive payments is established. Foreign currency gains and losses are reported on a net basis.

#### Non-derivative financial instruments

##### *Loans and receivables*

These assets are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method.

##### *Cash and cash equivalents*

Cash and cash equivalents comprise cash balances and call deposits with maturities of three months or less. Cash equivalents are short-term highly liquid investments with an original maturity of three months or less from the date of acquisition that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

##### *Non-derivative financial liabilities*

Non-derivative financial liabilities are initially recognised at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

##### *Ordinary shares*

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

Ordinary dividends declared as final dividends are recognised as a liability in the period in which they are approved by shareholders. Interim dividends are recognised as a liability when declared.

##### *Equity distributions and contributions*

In accordance with the guidance issued in TECH 02/17 BL (with regards the application of Companies Act 2006) where an entity sells an asset to a fellow group company for consideration that is less than the asset's fair value, the difference is treated as a capital contribution in the receiving entity and a distribution in the selling entity. In accordance with TECH 02/17 BL, any intermediate parent entities of the transacting entities are also considered to have made a distribution (or capital contribution as applicable). All distributions and capital contributions are recognised directly in equity and are presented in the Statement of Changes in Equity.

# MHG Mezz Borrower Limited

## Notes (continued)

### 2 Significant accounting policies (continued)

#### Investments

Investments in subsidiaries, associates and joint ventures are held at historical cost less any applicable provision for impairment.

#### Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount in order to determine the extent of the impairment loss. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses on continuing operations are recognised in the income statement in those expense categories consistent with the function of the impaired asset.

For assets where an impairment loss subsequently reverses, the carrying amount of the asset or cash generating unit is increased to the revised estimate of its recoverable amount, not to exceed the carrying amount that would have been determined, net of depreciation, had no impairment losses been recognised for the asset or cash generating unit in prior years. A reversal of impairment loss is recognised immediately in the income statement, unless the asset is carried at a revalued amount when it is treated as a revaluation increase.

#### New and amended standards adopted by the Company:

The standards and interpretations listed below have become effective since 1 July 2019 for annual periods beginning on or after 1 January 2020. While the list of new standards is provided below, we note that these new standards do not have an impact on the Company's financial statements

- Amendments to IFRS 3 Definition of a Business
- Amendments to IFRS 7, IFRS 9 and IAS 39 Interest Rate Benchmark Reform
- Amendments to IAS 1 and IAS 8 Definition of Material conceptual Framework for Financial Reporting

### 3 Staff numbers and costs

The Company has no employees. The directors receive no remuneration for their services to this Company.

# MHG Mezz Borrower Limited

## Notes (continued)

<b>4</b>	<b>Income from shares in group undertakings</b>	<b>2020</b>	<b>2019</b>
		<b>£</b>	<b>£</b>
	Dividend received from subsidiaries	-	-
	Deemed capital contribution	-	-
	<b>Total income from shares in group undertakings</b>	-	-
<b>5</b>	<b>Taxation</b>		
	<b>Amounts recognised in profit or loss</b>	<b>2020</b>	<b>2019</b>
		<b>£</b>	<b>£</b>
	<b>Current tax</b>		
	UK corporation tax	-	-
	Adjustment in respect of prior years	-	-
	<b>Total current tax</b>	-	-
	<b>Deferred tax</b>		
	Origination and reversal of temporary differences	-	-
	Adjustments in respect of prior periods	-	-
	<b>Total deferred tax charge</b>	-	-
	<b>Reconciliation of tax charge</b>	<b>2020</b>	<b>2019</b>
		<b>£</b>	<b>£</b>
	Profit on ordinary activities before tax	-	-
	Profit on ordinary activities before tax at the standard corporation tax rate in UK of 19.00% (2019: 19.00%)	-	-
	Non-taxable income	-	-
	Group relief surrendered not paid for	-	-
	Expenses not deductible for tax purposes	-	-
	<b>Total tax charge</b>	-	-

# MHG Mezz Borrower Limited

## Notes (continued)

### 5 Taxation (continued)

#### Factors which may affect future charges:

The enacted main rate of corporation tax was reduced from 20% to 19% from 1 April 2017 and further reduced to 17% from 1 April 2020. In the Finance Act 2020, it was announced that the enacted reduction in the main rate of corporation tax effective 1 April 2020 would not take place. In the Finance Act 2021, it was further announced that the rate of corporation tax would rise to 25% from 1 April 2023, however, this change was not enacted as at the balance sheet date. These changes do not have a material effect on these financial statements. The Group's future tax charge could be affected by numerous factors including, but not limited to, any future consequences of the UK leaving the European Union and any tax reforms adopted from the OECD's BEPS actions such as those in relation to the deductibility of interest, anti-avoidance or transfer pricing. No quantification of these changes is currently possible due to uncertainty around when any currently proposed rules will be enacted or effective.

6 Investments	2020 £	2019 £
Investment in shares in subsidiary undertakings	1	1

On 28 December 2012 the company purchased 1 share in MHG Senior Holdco Limited for a consideration of £1. The investment is a 100% shareholding.

The company has a shareholding in the following principal companies:

Subsidiary undertaking	Country of Incorporation and operation	Activity	Shareholding (ordinary shares)
MHG Senior Holdco Limited	Great Britain	Holding Company	100% (direct)
MHG Senior Borrower Limited	Great Britain	Holding Company	100% (indirect)
Claridge's Hotel Holdings Limited	Great Britain	Holding Company	100% (indirect)
Claridge's Hotel Limited	Great Britain	Hotel Operations	100% (indirect)
Brook Street 1 Limited	Great Britain	Holding Company	100% (indirect)
Brook Street 2 Limited	Great Britain	Holding Company	100% (indirect)
41-43 Brook Street LLP	Great Britain	Ownership of Property	100% (indirect)

# MHG Mezz Borrower Limited

## Notes (continued)

### 6 Investments (continued)

Subsidiary undertaking	Country of Incorporation and operation	Activity	Shareholding (ordinary shares)
Bluedraft Limited	Great Britain	Ownership of Property	100% (indirect)
Brook Street Trustee Co No. 1 Limited	Great Britain	Hotel Operations	100% (indirect)
Brook Street Trustee Co No. 2 Limited	Great Britain	Dormant company	100% (indirect)
A Goody Rewarded Limited	Great Britain	Dormant company	100% (indirect)
Claridge's Hotel (42000) Limited	Great Britain	Dormant company	100% (indirect)

The registered office of all subsidiary undertakings is 27 Knightsbridge, London, SW1X 7LY.

### 7 Called up share capital

	2020 £	2019 £
<i>Authorised</i>		
1 ordinary share of £1	1	1
	<hr/>	<hr/>
<i>Called up, allotted and fully paid</i>		
1 ordinary share of £1	1	1
	<hr/>	<hr/>

On incorporation the company issued 1 share for £1 cash consideration.

### 8 Dividends Paid

	2020 £	2019 £
<i>Declared and paid during the year</i>		
Final dividend	-	-
Deemed distribution	-	-
	<hr/>	<hr/>
<b>Total income from shares in group undertakings</b>	-	-
	<hr/>	<hr/>



# MHG Mezz Borrower Limited

## Notes (continued)

### 9 Related party transactions

The company is exempt under the provisions of IAS 24 *Related Party Disclosures* from disclosing related party transactions entered into between two or more members of the group.

### 10 Ultimate parent company

At 31 December 2020 the company's immediate parent company was Maybourne Mezzanine Holdco Limited, a company incorporated in Great Britain and registered in England and Wales.

The company's ultimate parent company is Regis Investments S.A., a company incorporated in Luxembourg. This is the largest group in which the results of the company are consolidated.

The ultimate controlling party is His Highness Sheikh Hamad Bin Khalifa Al Thani.

Coroin Limited, a company incorporated in Great Britain and registered in England and Wales is the smallest group in which the results of the company are consolidated. Copies of those statutory accounts will also be available from its registered office, 27 Knightsbridge, London, SW1X 7LY.

### 11 Subsequent events

There were no events subsequent to the balance sheet date that require adjustment to or disclosure in the financial statements.

### 12 Charges

On 26 January 2021, Qib (UK) PLC created a fixed and a floating charge on all the property or undertaking of the company.

On 26 April 2020, Qib (UK) PLC created a fixed and a floating charge on all the property or undertaking of the company.

On 11 December 2017, Qib (UK) PLC created a fixed and a floating charge on all the property or undertaking of the company.