

# **SSP Financing No. 2 Limited**

Annual report and financial statements

Registered number 09113371

30 September 2020



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## **Company information**

### **Directors**

R Chaplin  
M E Collins  
J O Davies  
R A Worrell

### **Company Secretary**

H Byrne

### **Registered Office**

Jamestown Wharf  
32 Jamestown Road  
London  
NW1 7HW  
United Kingdom

### **Auditor**

KPMG LLP  
15 Canada Square  
London  
E14 5GL  
United Kingdom

## Strategic report

### Principal activities and operations

The Company is a wholly owned subsidiary of SSP Financing Limited, which itself is a wholly owned subsidiary within the SSP Group ("SSP Group" or "Group"). The Group is headed by SSP Group plc and comprises subsidiaries and associates operating a range of catering and retail concession businesses in the UK, Continental Europe, Asia, the Middle East and North and South America.

The functional currency of the Company is Sterling.

The Company operates as a financing company for the Group. It has currency loans to various subsidiaries of SSP Group plc, which are based in different territories. It has also issued preference shares in multiple currencies to SSP Financing Limited, its immediate parent company.

### Business review

The Company made a profit in the year of £3.8 million (2019: £4.3 million) which includes net interest income of £3.9 million (2019: £5.2 million).

### Principal risks and uncertainties

The Company is part of the SSP Group. The directors of SSP Group plc manage the Group's overall risk management strategy at a Group level, rather than on an individual company level. For this reason, the Company's directors believe that a discussion of the Company's risks would not be appropriate for an understanding of the development, performance or position of this company. The principal risks and uncertainties of SSP Group plc, which include those of the Company, are included in the strategic report section on pages 36 to 41, and in note 29 to the consolidated financial statements on pages 142 to 146, of the Group's annual report and accounts which do not form part of this report. The annual report and accounts of SSP Group plc are available to the public and may be obtained via the Investors section of the SSP website: [www.foodtravelexperts.com](http://www.foodtravelexperts.com). The directors of the Company have, however, reviewed the risks that may restrict or seriously impact the ability of the Company to carry on its activities. The key risks affecting the Company are as follows:

#### *Currency risk*

Although the functional currency of the Company is Sterling, the Company's loan note receivables and interest income are denominated in a number of non-Sterling currencies. In order to minimise exchange rate risk on the loan note receivables, the Company has obtained funds in the same currencies by issuing currency preference shares and has treated this as a natural hedge.

#### *Liquidity risk*

In order to be able to redeem its preference shares if required to do so by the holder of the shares, the Company can request repayment of its loan note receivables.

## Strategic report (*continued*)

### Key Performance Indicators

The Group's directors manage the Group's operations on a consolidated basis using key performance indicators. For this reason, the Company's directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the Company's business. The key performance indicators of SSP Group plc are set out on pages 30 to 32 of the Group's annual report which does not form part of this report. The annual report and accounts of SSP Group plc are available to the public and may be obtained via the Investors section of the SSP website: [www.foodtravelexperts.com](http://www.foodtravelexperts.com).

By order of the board



**Russell Chaplin**  
*Director*

*12 August 2021*

## **Directors' report**

### **Directors**

The directors, who held office during the year, and at the date of this report, were as follows:

R Chaplin  
M E Collins  
J O Davies  
C M Wright (resigned 1 November 2019)  
R A Worrell (appointed 1 November 2019)

The directors benefit from qualifying third party indemnity provisions in place during the financial year and at the date of this report.

### **Employees**

The Company did not employ any members of staff during the year (2019: *none*). All accounting transactions were processed by employees of SSP Group plc.

### **Dividend payment**

The directors recommend the payment of an ordinary dividend of £3,751,251. In 2019, they recommended a dividend of £4,303,787 which was declared in the current financial year.

### **Political and charitable contributions**

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

### **Disclosure of information to auditor**

The directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps they ought to have taken as a director to make themselves aware of any relevant audit information and to establish the Company's auditor is aware of that information.

### **Going concern**

The Company is a wholly-owned subsidiary undertaking of SSP Group plc (the parent company of the SSP Group). It acts as a financing company to other group subsidiaries.

Despite the outbreak of the Covid-19 pandemic and the ensuing impact on the travel markets in which the SSP Group operates, the directors are satisfied (for the reasons given in note 1 to the financial statements) that the Company's debtors can continue as going concerns due to the financial support available to them from the Company's immediate parent company, SSP Financing Limited.

The directors are therefore confident that the Company and its debtors will have sufficient funds to continue to meet their liabilities as they fall due for at least 14 months from the date of approval of the financial statements and have as such prepared the financial statements of the Company on a going concern basis.

## **Directors' report (*Continued*)**

### **Auditor**

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board



**Russell Chaplin**  
*Director*

*12 August 2021*

Registered Office:  
Jamestown Wharf  
32 Jamestown Road  
London  
NW1 7HW  
United Kingdom

## **Statement of directors' responsibilities in respect of the Strategic report, the Directors' report and the financial statements**

The directors are responsible for preparing the Strategic Report, 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 period. 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 UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 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 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.



## **Independent auditor's report to the members of SSP Financing No. 2 Limited**

### **Opinion**

We have audited the financial statements of SSP Financing No. 2 Limited ("the Company") for the year ended 30 September 2020 which comprise the profit and loss account, the statement of comprehensive income, the balance sheet, the statement of changes in equity, and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 September 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework*; 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. 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 14 months from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis over the use of that basis for 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. We have nothing to report in these respects.

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 absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Company will continue in operation.

### **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 SSP Financing No.2 Limited's policies and procedures to prevent and detect fraud, as well as enquiring whether the directors have knowledge of any actual, suspected or alleged fraud.
- Reading Board Minutes
- Using analytical procedures to identify any unusual or unexpected relationships.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that Company 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 there are no revenue transactions.

We did not identify any additional fraud risks.

## **Independent auditor's report to the members of SSP Financing No. 2 Limited**

*(continued)*

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

#### *Identifying and responding to risks of material misstatement due to non-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 management (as required by auditing standards), and discussed with the management the policies and procedures regarding compliance with laws and regulations.

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.

This company, as a holding company, is not subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements.

#### *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.

### **Strategic report and directors' report**

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and 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 strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

## **Independent auditor's report to the members of SSP Financing No. 2 Limited**

*(continued)*

### **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
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to 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 5, 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.

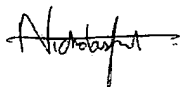
### **Auditor's responsibilities**

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.



**Nicholas Frost (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*  
15 Canada Square,  
London, E14 5GL,  
United Kingdom  
12 August 2021

## Profit and loss account

*For the year ended 30 September 2020*

	<i>Note</i>	<b>2020</b> £	<b>2019</b> £
<b>Operating profit</b>	2	-	-
Interest receivable	4	3,859,657	5,236,800
Interest payable	5	-	-
Foreign exchange (loss)/gain		(108,406)	76,519
<b>Profit on ordinary activities before tax</b>		<b>3,751,251</b>	<b>5,313,319</b>
Tax on profit on ordinary activities	6	-	(1,009,532)
<b>Profit for the year</b>		<b>3,751,251</b>	<b>4,303,787</b>

## Statement of comprehensive income

*For the year ended 30 September 2020*

	<b>2020</b> £	<b>2019</b> £
<b>Profit for the financial year</b>	<b>3,751,251</b>	<b>4,303,787</b>
<b>Total comprehensive income for the year</b>	<b>3,751,251</b>	<b>4,303,787</b>

The accompanying notes on pages 12 to 17 are an integral part of the financial statements.

## Balance sheet

At 30 September 2020

	Note	2020 £	2019 £
<b>Current assets</b>			
Debtors: amounts due within one year	7	145,540,298	151,169,205
<b>Current liabilities</b>			
Creditors falling due within one year	8	(128,789,047)	(133,865,418)
<b>Net current assets</b>		<u>16,751,251</u>	<u>17,303,787</u>
<b>Total net assets</b>		<u>16,751,251</u>	<u>17,303,787</u>
<b>Capital and reserves</b>			
Called up share capital	9	130,000	130,000
Share premium account	10	12,870,000	12,870,000
Profit and loss account	10	<u>3,751,251</u>	<u>4,303,787</u>
<b>Equity shareholders' funds</b>		<u>16,751,251</u>	<u>17,303,787</u>

The accompanying notes on pages 12 to 17 are an integral part of the financial statements.

These financial statements were approved by the board of directors on 12 August 2021 and were signed on its behalf by:



**Russell Chaplin**

Director

Company registered number: 09113371

## Statement of changes in equity

*At 30 September 2020*

	Share capital £	Share premium £	Profit and loss account £	Total equity £
At 1 October 2018	130,000	12,870,000	3,588,323	16,588,323
Profit for the year	-	-	4,303,787	4,303,787
Dividends paid	-	-	(3,588,323)	(3,588,323)
At 30 September 2019	130,000	12,870,000	4,303,787	17,303,787
Profit for the year	-	-	3,751,251	3,751,251
Dividends paid	-	-	(4,303,787)	(4,303,787)
At 30 September 2020	130,000	12,870,000	3,751,251	16,751,251

The accompanying notes on pages 12 to 17 are an integral part of the financial statements.

## Notes to the financial statements

### 1 Accounting policies

SSP Financing No. 2 Limited (the “Company”) is a company incorporated and domiciled in the UK. The Company’s functional currency is Sterling.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements, except as noted below.

#### *Basis of preparation*

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* (“FRS 101”). The amendments to FRS 101 (2014/15 Cycle) issued in July 2017 and effective immediately have been applied.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of international accounting standards in conformity with the requirements of the Companies Act 2006 (“Adopted IFRSs”), but makes amendments where necessary in order to comply with Companies Act 2006.

As permitted by FRS 101, the Company has taken advantage of the following disclosure exemptions:

- the cash flow statement and related notes;
- disclosures in respect of transactions with wholly owned subsidiaries;
- disclosures in respect of capital management; and
- the effects of new but not yet adopted IFRSs;

#### *Going concern*

These financial statements have been prepared on the going concern basis which the directors consider appropriate for the reasons set out below.

The directors have prepared a going concern assessment for the Company for a period of 14 months from the date of approval of these financial statements, which indicate that, taking account of reasonably possible downsides and the anticipated impact of the Covid-19 pandemic, the Company will have sufficient funds to meet its liabilities as they fall due for that period.

However, the ability of the Company to continue as a going concern is dependent on the ability of its ultimate parent company, SSP Group plc, and the wider SSP Group to continue as a going concern for at least 12 months from the date of approval of these financial statements.

The Board of SSP Group plc has reviewed the Group’s trading forecasts, incorporating the impact on SSP of Covid-19, as part of the Group’s adoption of the going concern basis for its interim financial statements for the 6 months ended 31 March 2021, in which context the Board reviewed cash flow forecasts prepared for a period of 16 months from the date of approval (8 June 2021) of those financial statements, with a number of different scenarios considered. Having carefully reviewed those forecasts, the Board concluded that it was appropriate to adopt the going concern basis of accounting in preparing those financial statements for the reasons set out below.

Since the start of the pandemic, the Group has taken rapid and decisive action to protect its people and the business, generating significant liquidity, reducing costs and minimising cash usage. Nevertheless, against a backdrop of ongoing uncertainty around the short and medium term trading outlook for the Group, and having considered a number of different scenarios and financing alternatives, the Board took proactive action in March 2021 to strengthen the Group’s balance sheet, announcing a Rights Issue to raise gross proceeds of approximately £475m. Alongside and conditional upon the Rights Issue, SSP Financing Limited secured the extension to January 2024 of its main bank facilities that were previously due to mature in July 2022, and secured waivers and modifications of the existing covenants under those bank facilities and its US private placement notes.

In making the going concern assessment, the Board considered forecast cash flows and the liquidity available over the period to 30 September 2022. In doing so they assessed a number of scenarios, including a base case scenario and a severe but plausible downside scenario. The base case scenario reflects an expectation of extended travel restrictions and ongoing very challenging trading conditions during the third quarter of the 2021 financial year, before a slow but steady recovery in passenger numbers in most of the Group’s key markets during the final quarter. This gradual recovery is assumed to continue during the 2022 financial year, with Group sales during the second half of that financial year reaching approximately 90% of 2019 levels.

## Notes to the financial statements (*Continued*)

### 1 Accounting policies (*continued*)

#### *Going concern (continued)*

In light of the considerable uncertainty surrounding the ongoing impact of Covid-19, a downside scenario has also been modelled, applying severe but plausible assumptions to the base case. This downside scenario reflects a pessimistic view of the travel markets for the remainder of the current financial year, assuming significant restrictions on non-essential travel throughout the third quarter, followed by a modest recovery in domestic travel and no recovery in international travel during the final quarter, with overall Group sales reaching 29% of 2019 levels by September 2021. The downside scenario then assumes a gradual recovery during the 2022 financial year, but at a much slower pace than envisaged in the base case, with Group sales reaching approximately half of 2019 levels by March 2022 and approximately 75% by September 2022.

Following the successful completion of the Rights Issue, the Group must comply with two financial covenants during the period ending 30 September 2022, each tested monthly, with the first of these based on the Group demonstrating a minimum level of liquidity and the second based on the Group not exceeding a maximum level of net debt. In both its base case and the downside scenario, the Group would have headroom against each of these covenant tests at all testing dates during the period to 30 September 2022.

The ongoing impact of the Covid-19 pandemic cannot be accurately predicted, and it is not possible to assess all possible future implications for the Group. Nevertheless, based on the scenarios modelled, as well as the additional sensitivity analysis outlined above, the Board is confident that the Group will have sufficient funds to continue to meet its liabilities as they fall due for a period of at least 16 months from the date of approval of the interim financial statements. The Board has therefore deemed it appropriate to prepare the financial statements for the six months ended 31 March 2021 on a going concern basis.

Consequently, the directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 14 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

#### *Foreign currencies*

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the contracted rate or the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.



## Notes to the financial statements (continued)

### 1 Accounting policies (continued)

#### Taxation

Tax on the profit or loss for the period comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous periods.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available, against which the temporary difference can be utilised.

### 2 Operating profit

Operating profit is stated after charging:

	2020 £	2019 £
<i>Auditor's remuneration:</i>		
Audit of these financial statements	-	-

The auditor's remuneration of £2,000 (2019: £2,000) was borne by the Company's ultimate parent company, SSP Group plc.

### 3 Remuneration of directors and employees

The directors of the Company provide qualifying services to the SSP Group and a number of its subsidiaries. The directors' emoluments in respect of qualifying services to the Company have not been disclosed in these accounts as they are considered immaterial. The directors' emoluments were borne by the Company's ultimate parent company, SSP Group plc, and by a fellow subsidiary, Select Service Partner UK Limited. The Company does not employ any staff.

### 4 Interest receivable

	2020 £	2019 £
Interest receivable from group undertakings	<u>3,859,657</u>	<u>5,236,800</u>

### 5 Interest payable

	2020 £	2019 £
Interest payable - other	<u>-</u>	<u>-</u>

## Notes to the financial statements (continued)

### 6 Taxation

	2020 £	2019 £
<i>Current tax charge</i>		
Current year	-	(1,009,532)
<b>Total tax charge</b>	<b>-</b>	<b>(1,009,532)</b>

#### *Reconciliation of effective tax rate*

The tax expense for the period is different to the standard rate of corporation tax in the UK of 19.0% (2019: 19%) applied to the profit before tax for the year. The differences are explained below:

	2020 £	2019 £
Profit on ordinary activities before tax	3,751,251	5,313,319
Tax charge using the corporation tax rate of 19.0% (2019: 19.0%)	(712,738)	(1,009,532)
<i>Effects of:</i>		
Foreign taxation	-	(4,015)
Double taxation relief	-	4,015
Group tax loss relief received for nil consideration	712,738	-
<b>Total tax charge</b>	<b>-</b>	<b>(1,009,532)</b>

#### *Factors that may affect future tax charges*

The Company expects the tax rate in the future to be affected by the surrender of losses for no consideration.

Under existing legislation, the main rate of corporation tax in the UK is 19%.

An increase in the main rate of corporation tax to 25% (effective from 1 April 2023) was announced in the Budget on 3 March 2021 and substantively enacted on 24 May 2021.

### 7 Debtors: amounts due within one year

	2020 £	2019 £
Amounts owed by group undertakings (principal)	127,784,576	133,865,418
Amounts owed by immediate parent company	9,875,266	13,089,914
Amounts owed by group undertakings (accrued interest net of withholding tax)	7,880,456	4,213,873
	<b>145,540,298</b>	<b>151,169,205</b>

The amounts owed by group undertakings comprise loan notes and associated accrued interest. The loan notes are redeemable at the request of the Company at any time, and unless previously redeemed must be repaid on 15 July 2022.

## Notes to the financial statements (continued)

### 8 Creditors: amounts falling due within one year

	2020 £	2019 £
Preference shares issued to immediate parent company	<u>(128,789,047)</u>	<u>(133,865,418)</u>

The preference shares are redeemable at the request of the shareholder, SSP Financing Limited, at any time. Further details are provided in note 9.

### 9 Called up share capital

	2020 £	2019 £
<i>Issued, called up and fully paid</i>		
13,000,001 ordinary shares of £0.01	<u>130,000</u>	<u>130,000</u>

The allotted, called up and fully paid preference shares have been issued to the Company's immediate parent company, SSP Financing Limited. These shares do not carry voting rights and are redeemable at the option of the shareholder. The preference shares have been classified as liabilities.

On 14 December 2018, 9 million preference shares of CAD0.01 each, 100 million preference shares of SEK0.01 each and 250 million preference shares of NOK0.01 each were redeemed for CAD9 million, SEK100 million and NOK250 million respectively, and 50 million preference shares of USD0.01 each were issued to SSP Financing Limited for a total consideration of USD50 million.

	2020			
	Number of shares	Nominal value	Premium on redemption	Redemption value
USD preference shares	90,000,000	USD 0.01	USD 0.99	USD 90,000,000
SEK preference shares	300,000,000	SEK 0.01	SEK 0.99	SEK 300,000,000
NOK preference shares	400,000,000	NOK 0.01	NOK 0.99	NOK 400,000,000

### 10 Share premium and reserves

	Share premium account £	Profit and loss account £
At beginning of the year	12,870,000	4,303,787
Profit for the year	-	3,751,251
Dividends paid	-	(4,303,787)
At end of the year	<u>12,870,000</u>	<u>3,751,251</u>

## **Notes to the financial statements *(continued)***

### **11 Dividends**

The aggregate amount of dividends proposed subsequent to the year end and therefore not recognised as liabilities as at the year-end is £3,751,251 (2019: £4,303,787).

### **12 Parent undertaking and ultimate controlling party**

The Company's immediate parent undertaking is SSP Financing Limited, a company incorporated in England and Wales.

SSP Group plc is the Company's ultimate parent undertaking and controlling party, and it is the parent undertaking of the largest and smallest group of undertakings for which group financial statements are drawn up and in respect of which the Company is a member.

The annual report and accounts of SSP Group plc are available to the public and may be obtained via the Investors section of the SSP website: [www.foodtravelexperts.com](http://www.foodtravelexperts.com).