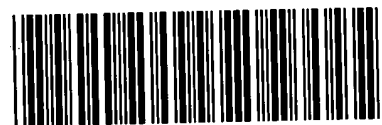


Registered number: 9200606

**IBIS STYLES SOUTHWARK HOTEL LIMITED (FORMERLY B&L  
ACCOR 7 LIMITED)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE PERIOD OF INCORPORATION ON 1 OCTOBER 2015 UNTIL 31  
DECEMBER 2016**

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**IBIS STYLES SOUTHWARK LIMITED**

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**COMPANY INFORMATION**

<b>Directors</b>	O M P Daguzan (appointed 6 February 2017) A S B Bernard (appointed 30 June 2017) E M G B De La Ronciere (appointed 30 June 2017)  T A M Dubaere (resigned 30 June 2017) H A O Deligny (resigned 31 August 2016)
<b>Company Secretary</b>	C M M Verstraete (appointed 30 June 2017) A J Whitehead (appointed 22 February 2016, resigned 30 June 2017) J J M Schmitt (resigned 8 January 2016)
<b>Registered number</b>	9200606
<b>Registered office</b>	1 Shortlands Hammersmith London W6 8DR
<b>Independent auditor</b>	Deloitte LLP Statutory Auditor London United Kingdom
<b>Bankers</b>	HSBC Bank plc PO Box 61004 2nd Floor London SE1 9RX

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## **DIRECTOR'S REPORT**

### **FOR THE PERIOD OF 15 MONTHS ENDED 31 DECEMBER 2016**

The directors present their report and the audited financial statements for the period of 15 months ended 31 December 2016.

This report is prepared in accordance with the special provisions relating to small companies under s415(a) of the Companies Act 2006. As Ibis Styles Southwark Limited is entitled to the small companies exemption, no strategic report has been prepared.

#### **Results and dividends**

The profit for the period, after taxation, amounted to £18,895 (2015 - £63,938).

#### **Principal activity**

The principal activity of the company is the ownership of the Ibis Styles Southwark hotel, acquired from an independent third party on 9 September 2014. The company continues to lease the hotel to a fellow group company who operate the trade of the hotel, on the same lease terms as previously agreed between the third party and the fellow group company.

#### **Directors**

The directors who served during the period and up to the date of signing were:

O M P Daguzan (appointed 6 February 2017)

A S B Bernard (appointed 30 June 2017)

E M G B De La Ronciere (appointed 30 June 2017)

T A M Dubaere (resigned 30 June 2017)

H A O Deligny (resigned 31 August 2016)

#### **Certificate of incorporation**

The Certificate of Incorporation for B&L Accor 7 Limited was given at Companies House on 2 September 2014. The Certificate of Change of Name from B&L Accor 7 Limited to Ibis Styles Southwark Hotel Limited was given at Companies House on 25 January 2016.

#### **Environmental matters**

The Accor Group in the UK recognises that its activities impact upon the environment through its routine operations, its infrastructural development, and through its influence and effects on the wider community. The Group acknowledges a responsibility for, and a commitment to, protection of the environment at all levels. Accor will comply fully with environmental legislation and is committed to promoting environmental management policies and practices such as ISO 14001 and 'Green Globe', a benchmarking and certification scheme dedicated to all sectors of the tourism industry. Energy saving innovations introduced to the Group's hotels in recent years have included the installation of plant and machinery time controls and low energy lamps to minimise waste and pollution and reduce CO2 emission and the fitting of new shower heads and flow regulators to reduce water consumption. Accor aims to increase the awareness of environmental responsibilities among staff and guests through its environment charter, by incorporating long term strategies for energy efficiency into the planning and development of hotels, by promoting a purchasing policy which will give preference, as far as practicable, to those products and services which cause the least harm to the environment and by working with local communities and agencies as appropriate to promote environmental policies.

## **DIRECTOR'S REPORT (CONTINUED)**

### **Financial Risk Management**

The company's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. These risks are mitigated by the company's activities being based fully in the UK, transactions being primarily with fellow group companies and with limited exposure to trade receivables or foreign currencies. The company is funded via short term intercompany sterling loans and group overdraft facilities. The company does not use derivative financial instruments.

The hotel market is an extremely competitive market-place where the quality of service and competitive prices offered to the company's guests is of paramount importance. The company is confident that the excellent reputations of its hotels, the strength of the company's brands and the support of the Accor group, together with an appropriate spend each year on the maintenance and improvement of the company's hotels will ensure that any risk of losing sales to competitors is minimised.

### **Going Concern**

The company is in a net assets position and the directors consider that the company will continue in operational existence for the foreseeable future. The company's immediate parent has undertaken to provide additional financial support to the company for the foreseeable future, should this be necessary in order for the company to continue trading. After considering the ability of the immediate parent company to provide this support, the directors continue to adopt the going concern basis in preparing financial statements, meaning in particular that the profit and loss account and the balance sheet assume no intention or necessity to liquidate or curtail significantly the scale of the operation.

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

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

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

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

### **Post balance sheet events**

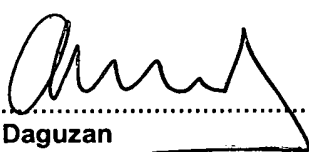
O M P Daguzan was appointed a Director on 6 February 2017. A S B Bernard and E M G B De La Ronciere were appointed Directors on 30 June 2017. C M M Verstraete was appointed company secretary on 30 June 2017.

**DIRECTOR'S REPORT (CONTINUED)**

**Auditor**

The auditor, Deloitte LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 26/9/2017 and signed on its behalf.



.....  
**O M P Daguzan**  
Director  
1 Shortlands  
Hammersmith  
London  
W6 8DR

**DIRECTORS' RESPONSIBILITIES STATEMENT**

**FOR THE PERIOD ENDED 31 DECEMBER 2016**

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 the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 judgments and accounting 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; 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions

**INDEPENDENT AUDITOR'S REPORT**

**TO THE SHAREHOLDERS OF IBIS STYLES SOUTHWARK LIMITED**

We have audited the financial statements of Ibis Styles Southwark Limited for the period ended 31 December 2016, which comprise the Income Statement, the Balance Sheet, the Statement of Changes in Equity and the related notes (from note 1 to note 18). The relevant financial reporting framework that has been applied in their preparation is the applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'.

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.

**Respective responsibilities of Directors and Auditor**

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on 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 2016 and of its profit for the period 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.



## IBIS STYLES SOUTHWARK LIMITED

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### Opinion on other matter prescribed by the Companies Act 2006

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

- the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with those financial statements and;
- the Directors' Report have been prepared in accordance with applicable legal requirements.

In the light of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

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

We have nothing to report in respect of the following matters where 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
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report



Timothy Steel (Senior Statutory Auditor)  
for and on behalf of  
**Deloitte LLP**  
Statutory Auditor  
London

Date: 26/9/17

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**IBIS STYLES SOUTHWARK LIMITED**

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**INCOME STATEMENT****FOR THE PERIOD ENDED 31 DECEMBER 2016**

	Note	15 months to Dec 2016 £	13 months to Sept 2015 £
Turnover	3	<u>1,421,198</u>	<u>1,200,900</u>
<b>Gross profit</b>		<b>1,421,198</b>	<b>1,200,900</b>
Administrative expenses		<u>(1,003,741)</u>	<u>(947,124)</u>
<b>Operating profit</b>	4	<b>417,457</b>	<b>253,776</b>
Interest receivable and similar income	7	3,337	116
Interest payable and similar charges	8	<u>(313,257)</u>	<u>(249,520)</u>
<b>Profit before tax</b>		<b>107,537</b>	<b>4,372</b>
Tax on profit on ordinary activities	9	<u>(88,642)</u>	<u>(68,309)</u>
<b>Profit for the year</b>		<u><u>18,895</u></u>	<u><u>(63,937)</u></u>

The results relate to continuing activities.

There are no items of other comprehensive income. Therefore no separate Statement of other Comprehensive Income has been presented.


**IBIS STYLES SOUTHWARK LIMITED**

**BALANCE SHEET**

**AS AT 31 DECEMBER 2016**

	Note	2016 £	As at 30 Sept 2015 £
<b>Fixed assets</b>			
Tangible assets	10	23,755,747	24,665,684
		<u>23,755,747</u>	<u>24,665,684</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	11	2,324	98
Cash at bank and in hand	13	972,556	260,771
		<u>974,880</u>	<u>260,869</u>
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	12	(12,937,050)	(13,064,900)
<b>Net current liabilities</b>		<u>(11,962,170)</u>	<u>(12,804,031)</u>
<b>Total assets less current liabilities</b>		<b>11,793,577</b>	<b>11,861,653</b>
<b>Provision for liabilities</b>			
Deferred Taxation	14	161,380	74,409
<b>Net assets</b>		<u><u>11,954,957</u></u>	<u><u>11,936,062</u></u>
<b>Capital and reserves</b>			
Called up share capital	15	12,000,000	12,000,000
Profit and loss account	16	(45,043)	(63,938)
		<u><u>11,954,957</u></u>	<u><u>11,936,062</u></u>

The financial statements (company number 9200606) were approved by the board of directors and authorised for issue on 26/9/2017 and were signed on its behalf by:

  
 .....  
**O Daguzan**  
 Director

**IBIS STYLES SOUTHWARK LIMITED**

**STATEMENT OF CHANGES IN EQUITY**

**FOR THE PERIOD ENDED 31 DECEMBER 2016**

	Share capital £	Retained earnings £	Total equity £
At 1 October 2015	12,000,000	(63,938)	11,936,062
<b>Comprehensive income for the period</b>			
Profit for the period	-	18,895	18,895
<b>Total comprehensive income for the period</b>	-	18,895	18,895
<b>At 31 December 2016</b>	<b>12,000,000</b>	<b>(45,043)</b>	<b>11,954,957</b>

**FOR THE PERIOD ENDED 30 SEPTEMBER 2015**

	Share capital £	Retained earnings £	Total equity £
			-
<b>Comprehensive income for the period</b>			
Loss for the period	-	(63,938)	(63,938)
<b>Total comprehensive income for the period</b>	-	(63,938)	(63,938)
Shares issued during the period	12,000,000	-	12,000,000
<b>At 1 October 2015</b>	<b>12,000,000</b>	<b>(63,938)</b>	<b>11,936,062</b>

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 31 DECEMBER 2016**

**1. Accounting policies**

**1.1 Basis of preparation of financial statements**

Ibis Styles Southwark Limited is a Company incorporated in the United Kingdom under the Companies Act 2006.

The Company is a private Company limited by shares and is registered in England. The address of the Company's registered office is shown on the company information page.

These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the Company operates.

These financial statements are separate financial statements. The Company is exempt from the preparation and delivery of consolidated financial statements, because it is included in the group accounts of Accor SA. The group financial statements of Accor SA are available to the public and can be obtained as set out in note 18. The registered office address of the parent Company preparing consolidated accounts is Tour Sequana, 82 Rue Henry-farman, Issy-les-moulineaux 92130, France.

The Company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council. Accordingly, these financial statements were prepared in accordance with Financial Reporting Standards 101 'Reduced Disclosure Framework'.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to business combinations, share-based payment, non-current assets held for sale, financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash-flow statement, standards not yet effective, impairment of assets and related party transactions. Where relevant, equivalent disclosures have been given in the group accounts of Accor SA.

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **1.2 Going concern**

The company is in a net assets position and the directors consider that the company will continue in operational existence for the foreseeable future. The company's immediate parent has undertaken to provide additional financial support to the company for the foreseeable future, should this be necessary in order for the company to continue trading. After considering the ability of the immediate parent company to provide this support, the directors continue to adopt the going concern basis in preparing financial statements, meaning in particular that the profit and loss account and the balance sheet assume no intention or necessity to liquidate or curtail significantly the scale of the operation.

### **1.3 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

#### **Sale of goods**

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction;
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### **Rendering of services**

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably, and;
- the costs incurred and the costs to complete the contract can be measured reliably.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 1.4 Tangible assets

Tangible assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold property	-	35-50 years
Long-term leasehold property	-	Over the shorter of the lease term or the estimated useful life
Plant and machinery	-	10-20 years
Fixtures and fittings	-	3-10 years
Other fixed assets	-	Not depreciated (asset under construction)

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the Income Statement.

### 1.5 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

### 1.6 Cash and Cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **1.7 Creditors**

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

### **1.8 Interest income**

Interest income is recognised in the Income Statement using the effective interest method.

### **1.9 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Income statement in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

### **1.10 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all taxable temporary differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.



## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **2. Judgments in applying accounting policies and key sources of estimation uncertainty**

In the application of the Company's accounting policies the directors are required to make a number of judgements and assessments. The directors do not believe there are any critical judgements or estimation uncertainties that have a significant risk of causing a material adjustment within the next financial year.

### **3. Analysis of turnover**

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

	<b>15 months to Dec 2016 £</b>	<i>13 months to Sept 2015 £</i>
Rents charged to fellow group company	<u>1,421,198</u>	<u>1,200,900</u>
	<u>1,421,198</u>	<u>1,200,900</u>

All turnover arose within the United Kingdom.

### **4. Operating profit**

The operating profit is stated after charging:

	<b>15 months to Dec 2016 £</b>	<i>13 months to Sept 2015 £</i>
Depreciation of tangible fixed assets	(1,029,842)	(886,621)
Exchange differences	(488)	-
Auditor's remuneration	(3,750)	(3,000)

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**5. Auditor's remuneration**

	<b>15 months to Dec 2016</b>	<i>13 months to Sept 2015</i>
	<b>£</b>	<b>£</b>
Fees for auditing the financial statements	<u>(3,750)</u>	<u>(3,000)</u>

**6. Employees**

The Company has no employees other than the directors, who did not receive any remuneration for their services to this company.

**7. Interest receivable**

	<b>15 months to Dec 2016</b>	<i>13 months to Sept 2015</i>
	<b>£</b>	<b>£</b>
Other interest receivable	<u>3,337</u>	<u>116</u>
	<u><b>3,337</b></u>	<u><b>116</b></u>

**8. Interest payable and similar charges**

	<b>15 months to Dec 2016</b>	<i>13 months to Sept 2015</i>
	<b>£</b>	<b>£</b>
Loans from group undertakings	<u>(313,257)</u>	<u>(249,520)</u>
	<u><b>(313,257)</b></u>	<u><b>(249,520)</b></u>

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

## 9. Taxation

	31 December 2016 £	30 September 2016 £
<b>Corporation tax</b>		
Current tax on profits for the period	(175,613)	(142,719)
<b>Total current tax</b>	<u>(175,613)</u>	<u>(142,719)</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	86,971	74,409
<b>Total deferred tax</b>	<u>86,971</u>	<u>74,409</u>
<b>Taxation on profit on ordinary activities</b>	<u>(88,642)</u>	<u>(68,310)</u>

## Factors affecting tax charge for the period

The tax assessed for the period is lower than (2015 - *lower than*) the standard rate of corporation tax in the UK of 20% (2015 - 20.25%). The differences are explained below:

	31 December 2016 £	30 September 2016 £
<b>Profit on ordinary activities before tax</b>	<u>107,537</u>	<u>4,372</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 20.25%)	(21,507)	(885)
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	(51,787)	(67,425)
Other timing difference leading to a decrease in taxation	(15,348)	-
<b>Total tax charge for the period</b>	<u>(88,642)</u>	<u>(68,310)</u>

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

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

At the balance sheet date, the Finance (No 2) Act 2016 had been substantively enacted confirming that the main UK corporation tax rate will reduce from 20% to 19% with effect from 1 April 2017 and then to 17% from 1 April 2020. Therefore, at 31 December 2016, deferred tax assets and liabilities have been calculated at the rate at which the temporary difference is expected to reverse after 1 April 2017. These reductions may also reduce the company's future current tax charges accordingly.

### **10. Tangible assets**

	<b>Freehold property £</b>	<b>Plant and Machinery £</b>	<b>Fixtures and fittings £</b>	<b>Other fixed assets £</b>	<b>Total £</b>
<b>Cost or valuation</b>					
At 1 October 2015	18,826,959	3,207,946	3,517,400	-	25,552,305
Additions	33,449	17,178	49,278	20,000	119,905
<b>At 31 December 2016</b>	<b>18,860,408</b>	<b>3,225,124</b>	<b>3,566,678</b>	<b>20,000</b>	<b>25,672,210</b>
<b>Depreciation</b>					
At 1 October 2015	223,126	281,859	381,636	-	886,621
Charge owned for the period	258,933	325,883	445,026	-	1,029,842
<b>At 31 December 2016</b>	<b>482,059</b>	<b>607,742</b>	<b>826,662</b>	<b>-</b>	<b>1,916,463</b>
<b>Net book value</b>					
<b>At 31 December 2016</b>	<b>18,378,349</b>	<b>2,617,383</b>	<b>2,740,016</b>	<b>20,000</b>	<b>23,755,747</b>
At 1 October 2015	18,603,833	2,926,087	3,135,764	-	24,665,684

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**11. Debtors**

	31 December 2016 £	30 September 2016 £
<b>Due within one year</b>		
Amounts owed by group undertakings	324	98
Prepayments and accrued income	2,000	-
	<u>2,324</u>	<u>98</u>

**12. Creditors: Amounts falling due within one year**

	31 December 2016 £	30 September 2016 £
Trade creditors	(1,856)	-
Amounts owed to group undertakings	(12,319,326)	(12,860,557)
Corporation tax	(274,440)	(142,719)
Taxation and social security	(51,943)	-
Other creditors	(2,245)	-
Accruals and deferred income	(287,240)	(61,624)
	<u>(12,937,050)</u>	<u>(13,064,900)</u>

**13. Cash and cash equivalents**

	31 December 2016 £	30 September 2016 £
Cash at bank and in hand	972,556	260,771
	<u>972,556</u>	<u>260,771</u>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**14. Deferred taxation**

	Deferred tax £
At 30 September 2015	74,409
Charged to the profit or loss	86,971
<b>At 31 December 2016</b>	<b>161,380</b>

In respect of prior period:

	Deferred tax £
Charged to the profit or loss	74,409
<b>At 30 September 2015</b>	<b>74,409</b>

The provision for deferred taxation is made up as follows:

	31 December 2016 £	30 September 2016 £
Accelerated capital allowances	161,380	74,409
	<b>161,380</b>	<b>74,409</b>

**15. Share capital**

	31 December 2016 £	30 September 2016 £
Allotted, called up and fully paid 12,000,000 Ordinary shares of £1 each	12,000,000	12,000,000

**16. Reserves**

**Profit and loss account**

There has been no movement in reserves other than the profit for the financial period.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**17. Related party transactions**

In accordance with FRS 101.8(k) "Related Party Disclosures" transactions with other undertakings within the Accor SA group have not been disclosed in these financial statements. There were no other transactions or balances with related parties which require disclosure in these financial statements.

**18. Controlling party**

The ultimate parent company and controlling party is Accor SA, registered in France at Tour Sequana, 82 Rue Henry-farman, Issy-les-moulineaux 92130, France. This was both the smallest and largest group for which consolidated accounts are prepared. Copies of the group financial statements are available from:

Accor S A Shareholder Relations Department  
Tour Sequana,  
82 Rue Henry-farman,  
Issy-les-moulineaux 92130,  
France

Since 30 December 2016, the immediate parent company is Accor UK Business & Leisure Hotels Limited, a company incorporated in Great Britain and registered in England and Wales. Copies of these accounts are available from:

AccorHotels UK Finance Department  
10 Hammersmith Grove  
Hammersmith  
London W6 7AP