Meininger Hotels Limited

Report and Financial Statements

Year Ended

31 March 2022

Company Number 08895474

Please [illegible] to note 21 on page 45 for section 479A of the Companies Act 2006

Meininger Hotels Limited

Report and financial statements
for the year ended 31 March 2022

Contents

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Directors

A Menon
M Cooke

Registered office

3rd Floor, 30 Millbank, London, SW1P 4DU, United Kingdom

Company number

08895474 (England and Wales)

Auditors

BDO LLP, 55 Baker Street, London, W1U 7EU

Meininger Hotels Limited

Strategic report
for the year ended 31 March 2022

The Directors in preparing the Strategic Report have complied with s414C of the Companies Act 2006.

Business review

The principal activities of the Group are the provision of hotel accommodation in Europe.

The subsidiary and associated undertakings affecting the (loss)/profit and net assets of the Group in the year are listed in note 39 to the financial statements.

Group turnover in the year was €62.9m (2021 - €19.3m) and EBITDA[1] was €16.9m (2021 - loss of €12.4m). Management consider EBITDA to be a critical measurement of Group performance, as an indicator of both earnings and cashflows, and as a tool to benchmark the Group's profit generating units both internally and externally. EBITDA is also a key measurement for the parent Group as it is tested at a covenant level under a facility agreement for which the Group is a participant.

The loss after taxation for the year amounted to €15.7m (2021 - €52.6m loss). The result for the year for the Group reflects separately disclosed items of €0.4m (2021 - €3.6) (see note 7). In the year to 31 March 2022, the loss before tax was €29.2m (2021 - €56.2m loss).

Balance sheet

Net assets of the Group were €3.1m (2021 - €4.9m).

In December 2022, the Company and their shareholder Holidaybreak Limited converted a further €5.0m owed by the Company to Holidaybreak Limited into 401,000 ordinary shares at a nominal value of £1 (€1.16) and premium of £9.75 (€11.30) to further strengthen the equity situation.

Capital expenditure

Capital expenditure on fixed assets and other intangible assets in the year to 31 March 2022 was €5.9m (2021 - €3.4m).

Operational performance

Meininger Hotels Limited (the Company) is a holding company which mainly has management fees, staff costs and foreign exchange costs being recognised in it.

Meininger's total existing bed capacity at 31 March 2022 is 17,424 (2021 -16,009).

New openings

Since 31 March 2022, Meininger Group opened new hotels in Bremen (May 2022) and Dresden (September 2022). Openings in Venice (Italy), Cologne (Germany) and Krakow (Poland) are planned for FY 2023 and FY 2024.

[1]EBITDA is calculated as being operating loss of €17.9m (2021 - loss €48.5m), before depreciation of ROU assets of €28.8m (2021 - €26.1m), depreciation of other fixed assets of €4.7m (2021 - €4.9m), amortisation of other intangibles of €0.8m (2021 - €0.7m), impairment of ROU assets of nil (2021 - €1.0m) and exceptional costs of €0.4m (2021 - €3.5m).

Going concern

The Directors, in making the going concern assessment considered the current financial and operational positions of the Group as also, the potential impact of the risks and uncertainties as outlined in this Strategic Report.

The Directors have prepared forecasts of cash flow from the date of the approval of these financial statements. The forecasts prepared indicate the Group has sufficient financial resources to continue in operation for the foreseeable future.

Revenue for the financial year ending 31 March 2022 ended below pre-pandemic levels, but business in the year recovered quite significantly from July 2021.

In the current financial year FY 2023 business has witnessed a robust rebound, returning to strong and profitable growth over pre-pandemic period, headwinds from cost pressures notwithstanding. The Company has been able to fund capex for new hotels and repay bank debt from its operating cash flows in the current year.

Further details regarding the adoption of the going concern basis can be found in the accounting policies in note 3 to the Financial Statements.

Given the above, and together with confidence in management's continued ability to take successful mitigating actions against the effects of cost pressures and the continued support of the parent company's principal debt provider, the directors have concluded that it is appropriate to prepare the financial reporting on a going concern basis.

Principal risks and uncertainties facing the Group

We regularly review the risks faced by the Group, including the social, environmental and ethical risks. The Directors consider the major risks to delivering the Group's strategy are those set out below. The Directors recognise that the profile of risks changes constantly, and additional risks not presently known, or that are currently deemed immaterial, may also impact on delivery of the Group's strategy.

Key risk	Impact	Mitigation strategy
EXTERNAL		
Impact of Covid-19	• The Covid-19 pandemic caused travel and supply chain restrictions within the primary operating areas of our investment, and a deterioration in trading in FY 2021 as also in parts of FY 2022.	• The worldwide vaccination strategy has (since April 2021) progressively led to removal of all restrictions to travel within our operating areas. Beginning July 2021, occupancies and revenues in our hotels increased significantly. • There has been no effect of Covid in FY 2023. The business has returned to growth and profitability. Supply chain issues have also been slowly resolving. • Given the significant impact of Covid-19 in FY 2021 and FY 2022 on Meininger's trading, the Holidaybreak Group ('the parent Group') increased and extended its loan facility to €130m in October 2022. The Company has not needed to draw down any debt from this facility since March 2022. Unutilised facility (after the increase in October 2022) is €19.5m at the time of this report. • The Group also obtained a €10m Bank Loan Facility on commercial terms in July 2020, and has since repaid the full amount. €5m in October 2021, €2m in July 2022 and €3m in August 2022.

Principal risks and uncertainties facing the Group *(continued)*

Key risk	Impact	Mitigation strategy
EXTERNAL (continued)		
Impact of Covid-19 (continued)		• The Group has also received government financial support under a variety of schemes since April 2020. This includes, where appropriate, accessing government-backed schemes to support employment costs of staff who are furloughed or working reduced hours. • The Group has negotiated rent reliefs from our landlords by means of waiver or deferral of rents, most of which are repayable over a longer term starting FY 2022. All agreed payment schedules have been kept. Total outstanding at the date of this report is €4.4m. • We have instituted protective measures for guests and staff in our hotels and in our offices. This includes wearing protective equipment and introducing social distancing and safety guidelines ensuring compliance of standards where required by governments across the various countries in which the Group operates. • We have significantly increased communications with our employees so we can keep them up to date with developments, our plans and the welfare support and arrangements we have put in place.
Economic and financial conditions across markets	• A prolonged economic downturn in one or more countries significant to our businesses may lead to a reduction in levels of demand for our products and thereby impact Meininger Hotels Limited's earnings and financial position.	• Meininger business operates across various European markets which provides us with trading resilience and growth potential.
Major external events	• Most of our businesses are exposed to external events. For example, a major terrorist (or similar) incident in the UK and Europe could have a significant impact on the business. • In particular, the ongoing conflict in Ukraine has a potential impact on all worldwide businesses.	• Whilst all our businesses have crisis management procedures in place to handle any external incidents to ensure any disruption is kept to a minimum, such events could impact trading or the ability to deliver our products. Our businesses offer hotel accommodations across different destinations to reduce the reliance on a particular market. • The parent company's principal lender continued to support the business throughout the pandemic and has indicated that it would continue to do so to overcome any short term external shocks to the business.

Principal risks and uncertainties facing the Group *(continued)*

INTERNAL		
Liquidity risk	• The risk that trading underperformance, increased cost of debt and inefficient treasury management could lead to breaches in covenants and bonding arrangements.	• Holidaybreak Limited, our parent Company, manages liquidity risk by maintaining adequate liquid funds and credit facilities. • On 31 January 2019, the parent Group adopted a new 3 year Loan Facility. Given the significant impact of Covid-19 on Meininger's trading, the Group increased its shareholder loan facility in stages in April 2021 and in October 2022. The Company has not needed to draw down any debt from this facility since March 2022. Unutilised facility is €19.5m at the time of this report. • The Group also obtained a €10m Bank Loan Facility on commercial terms in July 2020, and has since repaid the full amount. €5m in October 2021, €2m in July 2022 and €3m in August 2022. • Meininger Hotels Limited continually monitors actual and forecast cash flows and actual and forecast compliance with covenants within the facility and should a risk of trading underperformance occur, the Group has considered mitigation strategies that could be put in place, for example working capital management, capital expenditure reduction and stringent cost control. • The parent company's principal lender has been supportive of the Group throughout the pandemic and has indicated its willingness to continue supporting the group.
Health, safety & security	• The risk that the Group fails to manage health, safety and security issues leading to significant financial and operational costs.	• Our businesses are committed to ensuring the highest standards of health, safety and security in their operations and monitor and conduct regular audits when appropriate.
Failure to attract, retain and motivate key employees	• Our ability to provide high-quality service on a timely basis depends to a significant extent on having an adequate number of qualified employees. Accordingly, Meininger Hotels Limited's ability to increase its productivity and profitability and support its growth strategies may be limited by its ability to employ, train, motivate and retain skilled personnel.	• We believe our training programmes provide the necessary tools to retain and motivate key staff. • The group's Senior Leadership Team and Executive Committee members have established and formalised updated company-wide Vision-Mission-Value statements that have been communicated and elaborated through workshops with the whole organisation.

Key performance indicators

The following key performance indicators are used by the Directors to monitor the performance of the Group.

	Key performance indicator (KPI)	2022	2021
1	Bed Occupancy	**34.6%**	12.1%
2	Room Occupancy	**48.6%**	18.3%
3	Average Bed Rate (€)	**25.3**	22.2
4	Average Room Rate (€)	**63.6**	52.0
5	Revenue per available room (€)	**30.9**	9.5
6	Revenue per available bed (€)	**8.7**	2.7

The performance of existing hotels was partially impacted by Covid-19 during FY 2022 impacting both occupancy and rates negatively. The Group had a much stronger summer business compared to previous year.

This resulted in an overall increase in the average rate and revenue KPIs for the Group from 2021 to 2022. Also, based on the location of the hotels, new openings and market dynamics, the Group changes dynamic bed and room rates to optimise the total Group revenue which would result in some variance in the rates and occupancy between the years.

Section 172 (1) Statement

In accordance with Section 172 of the UK Companies Act 2006, in its decision making the Board considers the interest of the Group's employees and other stakeholders. The Board understands the importance of taking into account the view of all stakeholders and considers the impact of the Company's activities on the communities in which Meininger operates, the environment and the Group's reputation. In its decision making, the Board also considers what is most likely to promote the success of the Group for its stakeholders in the long term. The following summarises how the Group's Board fulfils its duties under Section 172.

Interests of the Company's employees

The Directors recognise that Meininger employees are fundamental and core to our business and delivery of our strategic ambitions. The success of our business depends on attracting, retaining and motivating employees as well as fostering Values of Teamwork, Trust, Respect, Will for Success, Customer Commitment and Diversity encompassed in the *Meininger Spirit!* Culture. From ensuring that we remain a responsible employer, from pay and benefits to our health, safety and workplace environment, the Directors factor the implications of decisions on employees and the wider workforce, where relevant and feasible.

The Company encourages strong communication with all employees, updating on employment and trading matters. The Company Executive meets regularly, expanding its communication to a wider Senior Leadership Team each month. Senior Leaders communicate with their teams regularly to cascade information across the Group and to elicit feedback.

The Group has developed its *M Goals* scheme, an annual objective-setting and performance review for teams and individuals. M Goals are ultimately aligned with corporate objectives. The Company also undertakes an annual *Engagement survey* whereby employee feedback is encouraged and then acted upon. In the most recent survey 78% employed responded and returned a 3% employee engagement score improvement vs 2021. The Group also runs various local and company-wide employee recognition and reward schemes to help highlight the importance it attaches to encouraging and supporting individual employees

Section 172 (1) Statement *(continued)*

The need to foster the Company's business relationships with suppliers, customers and others

The Group actively markets and engages with our customers. For our tour operator business customers, we have a sales department that manages and sustains our relationship through personal contact, regular face-to-face meetings and quarterly and annual business reviews. We value that many of our group customers return year after year and we work hard to maintain these good relationships. Our other key customer grouping is fully independent traveller, where we engage and acquire through direct digital channels and by working with Online Travel Agents (OTAs). Similarly, our digital marketing activities also aim to drive and retain direct business customers to our website. In reference to OTAs we upload our rates and availability on their websites, and we nurture our relationships with them through commercial agreements by which we pay a commission for the business they provide.

We listen to our customers by closely monitoring customer reviews from all major online platforms, namely, TripAdvisor, booking.com and expedia.com. By monitoring and analysing the comments we receive on these websites we ensure that we are adapting and following our customer's needs and preferences.

The Group's hotels are all held as leaseholds which requires the Group to maintain close relations with all its landlords. Primary contact is through the Asset Management function, with further communication at director or operational level depending on individual circumstances. The extent of communication has increased significantly with the onset of Covid-19, where the Group has sought to negotiate rent relief, which has included some deferral of rent payment.

Similarly, the impact of Covid-19 has required the Group to maintain close communication with all its suppliers, given disruption to operations and payment patterns. Supplier contact is principally at functional level, with close co-operation and management also from the Group's procurement function.

Commercial and operational management maintain close industry contacts to stay abreast of key trends and events, which is important given Meininger's position in a fast-moving segment of the hospitality market and the need to promote Meininger's reputation.

Shareholders and Funders

The Group reports to its parent on a regular basis. Other than the formality of regular reporting, the directors and senior management maintain regular contact with the shareholders.

The Group also maintains good communication with its bank lenders to ensure their continuing support. This is carried out through monthly reporting of financial results and covenant compliance, as well as regular ad hoc communication.

The impact of the Company's operations on the community and the environment

The Group takes seriously its commitment to local communities and the environment. The Group's hotel operations have set policy on how the hotels should respect the environment, which includes monitoring suppliers' activities and products where required. All hotels encourage guests to act responsibly with use of resources, and several hotels are also experimenting with solar technology where rooftop space permits. Similarly, all employees are encouraged to act in an environmentally friendly way as this is part of the Group ethos.

This ethos is also evident in how the hotel and head office employees support their local communities. Examples include supporting and buying local produce from community gardens in Brussels, to helping out with food kitchens in Berlin.

The Board would like to express its thanks to management and staff throughout the Group for their continued hard work and commitment and for their expertise and dedication to serving our customers.

Section 172 (1) Statement *(continued)*

Approval

This Strategic Report was approved and signed on behalf of the Board on 2 March 2023

A Menon
Director

Meininger Hotels Limited

Directors' report
for the year ended 31 March 2022

The Directors present their Annual Report on the affairs of Meininger Hotels Limited ('the Group'), together with the audited financial statements for the year ended 31 March 2022.

Strategic report

Information relating to the business review of performance and future prospects of the entity can be found in the Strategic Report.

Directors

The Directors of the Company who served during the year and thereafter (except as noted) were as follows:

A Menon
M Cooke
D Reeve-Tucker (resigned 30 April 2022)
A Kerkar (suspended 10 April 2020, terminated 13 May 2022)
A Scott (resigned 30 November 2021)

Dividends

The Directors recommend no final dividend for the year ended 31 March 2022 (2021 - €nil). No interim dividend was paid during the year (2021 - €nil).

Financial risk management policies and objectives

The Group's activities expose it to a number of financial risks. These risks are managed as described in the Strategic Report on page 2.

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The carrying amount of financial assets recorded in the financial statements, which is net of impairment losses, represents the Group's maximum exposure to credit risk.

Charitable and political contributions

The Company did not make any charitable or political donations during the year (2021 - €nil).

Disabled employees

Applications for employment by disabled persons are always fully considered, bearing in mind the abilities of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the Group continues and that appropriate training is arranged. It is the policy of the Group and the Company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Employee consultation

The Group places considerable value on the involvement of its employees and keeps them informed on matters affecting them as employees and on the various factors affecting the performance of the Group. This is achieved through formal and informal meetings, regular briefings and circulation of results announcements and important public statements. Employees are consulted regularly on a wide range of matters affecting their current and future interests. HR Business Partner role has been established to provide the required support to the employees and managers on employee relations matters across various regions. In addition to that, there are various internal communication channels accessible to all employees where they can make a suggestion, ask a question or share feedback, that will be taken for consideration by the Company management.

The Group is committed to operating at the highest ethical and legal standards and recognises that upholding these standards requires confidence on the part of all staff, contractors and suppliers that issues of concern can be raised and addressed with confidence.
The Whistleblowing Policy forms an integral part of MEININGER's commitment towards providing a safe and ethical work environment, and meeting its obligations to its stakeholders, the community and the environment

Auditor

Each of the persons who is a Director at the date of approval of this report confirms that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Director has taken all the steps that he/she ought to have taken as a Director to make himself / herself 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.

Approval

This Directors' Report was approved and signed on behalf of the Board on 2 March 2023

A Menon
Director

Meininger Hotels Limited

Directors' responsibilities statement

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the Group financial statements in accordance with UK adopted International accounting standards and the parent Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), 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 the parent Company financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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.

In preparing the Group financial statements, International Accounting Standard 1 requires that Directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements of UK adopted international accounting standards are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the Company's ability to continue as a going concern.

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 MEMBERS OF MEININGER HOTELS LIMITED

Opinion on the financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 March 2022 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK adopted international accounting standards;
- the Parent Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Meininger Hotels Limited ("the Parent Company") and its subsidiaries ("the Group") for the year ended 31 March 2022 which comprise the consolidated income statement, the consolidated statement of comprehensive income, the consolidated balance sheet, the consolidated statement of changes in equity, the consolidated statement cash flow, the Company balance sheet, the Company statement of changes in equity, and the notes forming part of the consolidated financial statements and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and UK adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the Parent Company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 *Reduced Disclosure Framework* (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group or Parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Meininger Hotels Limited

Independent auditor's report (continued)

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Report and financial statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting

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

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

In the light of the knowledge and understanding of the Group and the Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company 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.

Responsibilities of Directors

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, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- obtaining an understanding of the legal and regulatory frameworks that are applicable to the Group and Company; focussing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. These include, but are not limited to, compliance with the Companies Act, IFRS, pensions legislation and tax legislation.

- making enquiries of management and the Board of the Company policies and procedures relating to:

    - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
    - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
    - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.

- making enquires of other personnel with roles relevant to compliance with laws and regulations.

- communicating the relevant identified laws and regulations and potential fraud risks to all engagement team members and component audit teams, and remaining alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

- assessing the susceptibility of the financial statements to material misstatement, including how fraud might occur in the financial statements and any potential indicators of fraud. We identified potential for fraud in the following areas and performed the following procedures:

    - management override: we evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial results and management bias in accounting estimates and judgements. Audit procedures performed included:
        - challenging assumptions made by management in their significant accounting estimates for indications of bias or management override, in particular in relation to property valuations;
        - identifying and testing manual journal entries, in particular any journal entries containing characteristics of audit interest such as manual journals to revenue, accounts receivable and cash; and for journals which are inconsistent with the usual transactions of the Group and Company.
    - management override in relation to revenue recognition. We evaluated the control environment pertaining to sales; specifically looking at the setting of hotel rates, cash collection, correlation between the hotel booking system and accounting system, and the posting of daily sales journals.
    - government grant claims: we obtained a detailed understanding of the regulatory frameworks pertinent in each jurisdiction and performed substantive procedures to ensure that claims were reasonable and in compliance with such regulations.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in management's incentive to manipulate earnings before tax.

Independent auditor's report (continued)

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

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

Use of our report

This report is made solely to the Parent 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 Parent 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 Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:
Mark RA Edwards
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Mark RA Edwards (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London, UK

02 March 2023

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

Meininger Hotels Limited

Consolidated income statement
for the year ended 31 March 2022

	Note	2022 €m	2021 €m
Continuing operations			
Revenue	5	**62.9**	19.3
Cost of sales		**(50.3)**	(29.3)
Gross profit		**12.6**	(10.0)
Administrative expenses		**(30.1)**	(35.0)
Separately disclosed items	7	**(0.4)**	(3.5)
Operating loss		**(17.9)**	(48.5)
Finance income	9	**2.8**	4.8
Finance costs	8	**(14.3)**	(12.5)
Loss before tax		**(29.2)**	(56.2)
Tax credit	11	**13.5**	3.6
Loss for the year		**(15.7)**	(52.6)
Attributable to:			
Owners of the Company		**(15.7)**	(52.6)

The notes on pages 21 to 54 form part of these financial statements.

Meininger Hotels Limited

Consolidated statement of comprehensive income
for the year ended 31 March 2022

	2022 €m	2021 €m
Loss for the year	**(15.7)**	(52.6)
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of foreign operations	**(0.1)**	(0.1)
Other comprehensive income for the year net of tax	**(0.1)**	(0.1)
Total comprehensive loss for the year	**(15.8)**	(52.7)
Attributable to: Owners of the Company	**(15.8)**	(52.7)

The notes on pages 21 to 54 form part of these financial statements.

Meininger Hotels Limited

Consolidated balance sheet
at 31 March 2022

Company number 08895474	Note	2022 €m	2021 €m	2020 €m
Non- current assets				
Intangible assets	12	**1.2**	1.8	2.2
Property, plant and equipment	13	**42.8**	42.0	45.5
Right-of-use assets	26	**396.5**	392.9	354.2
Deferred tax assets	17	**14.0**	0.9	-
		454.5	437.6	401.9
Current assets				
Inventories	14	**0.4**	0.3	0.4
Trade and other receivables	15	**144.5**	145.0	154.3
Prepayments	23	**41.4**	39.0	29.3
Cash and bank balances	20	**8.0**	5.6	4.3
Total current assets		**194.3**	189.9	188.3
Total assets		**648.8**	627.5	590.2
Current liabilities				
Trade and other payables	18	**(37.2)**	(32.2)	(20.4)
Deferred revenue	16	**(6.5)**	(3.8)	(6.3)
Lease liabilities	26	**(27.6)**	(20.5)	(21.1)
Current tax liabilities		**(2.1)**	(3.4)	(2.4)
Borrowings	31	**(4.8)**	(9.8)	-
Total current liabilities		**(78.2)**	(69.7)	(50.2)
Net current assets		**116.1**	120.2	138.1
Non-current liabilities				
Borrowings	31	**(2.6)**	(2.1)	-
Deferred tax liabilities	17	**0.0**	-	(2.3)
Amounts due to parent undertaking	27	**(155.5)**	(149.8)	(145.1)
Lease liabilities	26	**(405.9)**	(398.4)	(346.6)
Provisions	29	**(3.5)**	(2.6)	(2.4)
Total non-current liabilities		**(567.5)**	(552.9)	(496.4)
Total liabilities		**(645.7)**	(622.6)	(546.6)
Net assets		**3.1**	4.9	43.6

Consolidated balance sheet
at 31 March 2022 (continued)

Company number 08895474	Note	2022 €m	2021 €m	2020 €m
Equity				
Share capital	19	**36.7**	35.4	34.1
Share premium account	19	**127.8**	115.1	102.4
Retranslation reserve		**0.2**	0.3	0.4
Merger reserve		**(103.2)**	(103.2)	(103.2)
Retained earnings		**(58.4)**	(42.7)	9.9
Total equity attributable to owners of the Company		**3.1**	4.9	43.6

The financial statements were approved and signed on behalf of the Board on 2 March 2023

A Menon
Director

The notes on pages 21 to 54 form part of these financial statements.

Meininger Hotels Limited

Consolidated statement of changes in equity
for the year ended 31 March 2022

	Share capital €m	Share premium account €m	Merger reserve €m	Retranslation reserve €m	Retained earnings €m	Total €m
Balance at 1 April 2020	34.1	102.4	(103.2)	0.4	9.9	43.6
Loss for the year	-	-	-	-	(52.6)	(52.6)
Other comprehensive income for the year	-	-	-	(0.1)	-	(0.1)
Total comprehensive income for the year	-	-	-	(0.1)	(52.6)	(52.7)
Share issue	1.3	12.7	-	-	-	14.0
Balance at 31 March 2021	35.4	115.1	(103.2)	0.3	(42.7)	4.9
Profit for the year	-	-	-	-	(15.7)	(15.7)
Other comprehensive income for the year	-	-	-	(0.1)	-	(0.1)
Total comprehensive income for the year	-	-	-	(0.1)	(15.7)	(15.8)
Share issue	1.3	12.7	-	-	-	14.0
Balance at 31 March 2022	**36.7**	**127.8**	**(103.2)**	**0.2**	**(58.4)**	**3.1**

The merger reserve was created on transition of the financial statements to IFRS in respect to the Group's subsidiaries that were acquired by the Company from a fellow Group undertaking and therefore constituting a 'transaction under common control'.

The retranslation reserve represents the exchange difference generated on retranslation of foreign currency operations on consolidation into the Group's presentational currency.

The retained earnings are made up of retained profits.

The notes on pages 21 to 54 form part of these financial statements.

Meininger Hotels Limited

Consolidated statement of cash flows
for the year ended 31 March 2022

	Note	2022 €m	2021 €m
Net cash from operating activities	20	**20.5**	(12.1)
Investing activities			
Purchase of intangible assets		**(0.2)**	(0.3)
Purchase of property, plant and equipment		**(5.7)**	(3.1)
Disposal of subsidiary		**0.1**	-
Net cash used in investing activities		**(5.8)**	(3.4)
Financing activities			
Finance costs paid		**(0.8)**	(1.2)
Borrowings from holding company		**24.3**	31.5
Proceeds from/(repayment of) external borrowings		**(4.5)**	12.1
Repayment of finance leases	26	**(31.5)**	(25.6)
Net cash (used in) financing activities		**(12.5)**	16.8
Net increase in cash and cash equivalents		**2.2**	1.3
Cash and cash equivalents at beginning of year		**5.6**	4.3
Effect of foreign exchange rate changes		**0.2**	-
Cash and cash equivalents at end of year		**8.0**	5.6

The notes on pages 21 to 54 form part of these financial statements.

1 General information

Meininger Hotels Limited is a Company incorporated in the United Kingdom under the Companies Act 2006. The address of the registered office is given on page 1. The principal activities of the Company and its subsidiaries ('the Group') and the nature of the Group's operations are set out in the Strategic Report. These financial statements are presented in Euros because that is the currency of the primary economic environment in which the Group operates. Foreign operations are included in accordance with policies set out in note 3.

2 Adoption of new and revised International Accounting Standards

Amendments to IFRSs and the new Interpretation that are mandatorily effective for the current year

In the current year, the Group has applied the amendments to UK adopted international accounting standards that are mandatorily effective for an accounting period that begins on or after 1 April 2020. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

New and revised International accounting standards in issue but not yet effective

At the date of authorisation of these financial statements, The Group has not applied the following new and revised UK adopted international accounting standards that have been issued but are not yet effective and, in some cases, had not yet been adopted by the EU:

Title	Subject
Amendments to IAS 1	Classification of liabilities as current or non-current
Amendments to IFRS 3	Annual Improvements to IFRS Standards 2018 – 2020
Amendments to IAS 16	Property, Plant and Equipment – Proceeds before Intended Use
Amendments to IAS 37	Reference to the Conceptual Framework
Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16	Interest Rate Benchmark Reform – Phase 2
Amendments to IFRS 1, IFRS 9, IFRS 16, IAS 41	Annual Improvements to IFRS Standards 2018 – 2020
Amendments to IAS 8	Definition of Accounting Estimates
Amendments to IAS 1 and IFRS Practice Statement 2	Disclosure of Accounting policies
Amendments to IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction

3 Significant accounting policies

Basis of accounting

The financial statements have been prepared in accordance with UK adopted International accounting standards.

The financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies adopted are set out below.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to 31 March each year. Control is achieved when the Company:

- has the power over the investee;
- is exposed, or has rights, to variable return from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the date the Company gains control until the date when the Company ceases to control the subsidiary.

The results of subsidiaries acquired or disposed of during the year are included in the Consolidated Income Statement from the effective date of acquisition or up to the effective date of disposal as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the Group. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

3 Significant accounting policies *(continued)*

Basis of consolidation *(continued)*

When the Group loses control of a subsidiary, the gain or loss on disposal recognised in profit or loss is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable IFRSs).

Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Business Review which forms part of the strategic report. The strategic report and directors' report further describes the financial position of the Group; its cash flows, liquidity position and borrowing facilities; the Group's objectives, policies, and processes for managing its capital; its financial risk management objectives; and its exposure to credit risk and liquidity risk. The Directors are confident that the Group is adequately placed to manage its business risks successfully despite the threat of further pandemic-related impact.

On reaching the conclusion on the going concern assessment, in line with the information set out above, the Directors have specifically considered the following:

Covid-19

The Covid-19 pandemic has had a significant impact on the revenue, profits and cash flows of the business in FY 2021 and FY 2022, but recovery has been positive since July 2021 and the outlook now is strong. In the current financial year (FY 2023), business has witnessed a robust rebound, returning to strong growth over pre-pandemic period and profitability, headwinds from cost pressures notwithstanding. The Company has been able to repay bank debt entirely and started repayment of the shareholder loan from cash flows in the current year.

The worldwide vaccination strategy has (since April 2021) progressively led to removal of all restrictions to travel within our operating areas. Beginning July 2021, occupancies and revenues across our hotels have increased significantly.

There has been no effect of Covid in FY 2023. The business has returned to growth and profitability. Supply chain issues have also been slowly resolving.

Conflict in Ukraine

The directors have been monitoring the events in Ukraine. Leisure travel in Europe does not seem to have been negatively impacted. The increased energy prices as a result of the supply shortage have been reflected in the forecast and cashflow. Further in recent month the energy market seem to be slowly stabilising. The Board have also received assurances from our shareholder's principal lender that in the event that business is impacted materially over the coming 12 months they would continue to be supportive.

3 Significant accounting policies *(continued)*

Going concern *(continued)*

Liquidity

The Group has focused intensely on liquidity risk during this period by maintaining adequate liquid funds, arranging banking facilities and ultimately securing financial support from governments (through the support schemes announced in various countries in which it operates) and its existing shareholder.

At the balance sheet date the parent company had a 3 year loan facility of €115m with their principal lenders, where the first repayment was due on 31 January 2022. In October 2022, the facility was extended to €130m and the Final Maturity Date for the full facility was extended until 31 March 2024

As at 31 March 2022 the Group had drawn down €110.5m of this facility, leaving €4.5m (2021: €nil) undrawn committed borrowing facilities. As at the date of this report, due to the extension of the loan facility in October 2022, the Group had available €19.5m of undrawn committed borrowing facilities.

The Group also obtained a €10m Bank Loan Facility on commercial terms in July 2020, and has since repaid the full amount. €5m of this amount in October 2021, €2m in July 2022 and €3m in August 2022.

As at the date of this report the Group had cash of €6.0m. The Group has returned to a cash-generative position in FY 2023. Current forecasts indicate that cash requirements until the end of FY 2023 will be adequately covered by cash-generative position with no need to utilise the headroom in the loan facility from the principal lender.

The Group regularly prepares liquidity forecasts covering the period through to March 2024 and beyond based on revenue forecasts prepared monthly by the internal commercial team.

Both the Ares Asia and bank facilities include financial covenants relating to minimum cash levels, liquidity, debt leverage and capital expenditure. The Group continues to comply with its covenants or, where it has been unable to do so, fully communicated with and agreed with its lenders its financial position and obtained formal covenant waivers.

The Group currently has €28.0m of Bank Guarantee Facilities which is considered sufficient to meet the short-term bank guarantee requirements of the Group.

Future prospects

Booking data at the date of this report, when compared with pre-Covid levels, indicates normal seasonality for the winter months after strong revenues during summer/autumn 2022 exceeding pre-covid levels. This supports the strength of revenue projections for FY 2023 and beyond.

The Group has opened two new hotels in FY 2023, with one further due to open before the end of FY 2023, and several more already planned to open during FY 2024. Furthermore, the Group is actively looking at further new build and renovation prospects for FY 2024, as well as progressing refurbishment plans for existing hotels. This is a strong indicator of the directors' and the principal lender's confidence in the going concern position of the Group.

Conclusion

Given the above, and together with confidence in management's continued ability to take successful mitigating actions against the effects of short-term market shocks, the directors have concluded that it is appropriate to prepare the financial reporting on a going concern basis.

3 Significant accounting policies *(continued)*

Intangible assets

Intangible assets acquired on business combinations are capitalised separately from goodwill if the asset is separable and if their fair value can be measured reliably on initial recognition. Intangible assets that are purchased in the normal course of business are initially recognised at cost. Subsequently to initial recognition, intangible assets are reported as cost less accumulated amortisation and accumulated impairment losses. Amortisation is charged so as to write off the fair value over their estimated useful lives using the straight-line method as follows:

Software 3 years

Revenue

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable, excluding VAT and similar taxes, from the sale of accommodation services supplied to customers in the ordinary course of business.

To determine whether to recognise revenue, the Group follows a 5 – step process:

1. Identify the contract with the customer;
2. Identify the performance obligations in the contract;
3. Determine the transaction price;
4. Allocate the transaction price to the performance obligations; and
5. Recognise revenue when (or as) the entity satisfies its performance obligations.

Revenue is recognised over the course of guests stay, when (or as) the Group satisfies performance obligations by transferring the promised services to its customers. Revenue relating to hotel accommodation in the Group is recognised over the duration of the stay of the customer.

Dividend and interest revenue

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established (provided that it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably).

Interest income is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably.

Leases

The Group has applied IFRS 16 using the modified retrospective approach and therefore the comparative information has not been restated and continued to be reported under IAS 17. The details of accounting policies under IAS 17 are disclosed separately if they are different from those under IFRS 16 and the impact of changes is disclosed in Note 28.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

3 Significant accounting policies *(continued)*

Leases *(continued)*

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Group's incremental borrowing rate.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in the future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise an extension or termination option.

Rent concessions

Due to government policy, the Group had to suspend operations of several hotels during 2021.

The Group has received numerous forms of rent concessions from lessors due to the Group being unable to operate for significant periods of time, including:

- Rent forgiveness (e.g. reductions in rent contractually due under the terms of lease agreements); and
- Deferrals of rent (e.g. payment of April-June rent on an amortised basis from July 2020 – March 2021)

The Group has opted to account for these concessions through lease modification, rather than electing to apply the practical expedient introduced by the amendments to IFRS 16 to rent concessions.

Foreign currencies

The Group changed its presentation currency from GBP to EUR from 1 April 2019, with retrospective application on comparative figures according to IAS 8 and IAS 21. The change was made to reflect that EUR is the predominant currency in the Group.

The individual financial statements of each Group company are presented in the currency of the primary economic environment in which it operates (its functional currency).

In preparing the financial statements of the individual companies, transactions in currencies other than the entities' functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

On consolidation, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are classified as equity and transferred to the Group's translation reserve. Such translation differences are recognised as income or as expenses in the period in which the operation is disposed of.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in other comprehensive income.

3 Significant accounting policies *(continued)*

Borrowing costs

Borrowing costs are recognised in profit or loss in the period in which they are incurred.

Operating profit

Operating profit is stated after charging separately disclosed items but before investment income and finance costs.

Separately disclosed items

Management consider that separate disclosure is required of these one-off costs to aid the readers of the financial statements to better understand the performance of the Group (see note 7).

Retirement benefit costs

Payments to defined contribution retirement benefit schemes are recognised as an expense when employees have rendered service entitling them to the contributions.

Taxation

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

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates and laws that are expected to apply in the period when the liability is settled, or the asset is realised based on tax laws and rates that have been enacted or substantially enacted at the balance sheet date. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited to other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

3 Significant accounting policies *(continued)*

Property, plant and equipment

Property, plant and equipment are shown at cost, net of depreciation and any provision for impairment. Depreciation is charged so as to write off the cost of assets, less estimated residual value, over their estimated useful lives using the straight-line method as follows:

Land, land rights and buildings, including buildings on third-party land (incl. leasehold improvements)	10-20 years
Technical equipment and machinery	3-5 years
Other equipment, operating and office equipment	5-10 years
Right-of-use assets	Lease duration

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or scrappage of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in income.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present *obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the* obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

Impairment of tangible and intangible assets

At each balance sheet date, the Group reviews the carrying amount of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An intangible asset with an indefinite useful life is tested for impairment annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

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, but so the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at revalued amount, in which case the impairment loss is treated as a revaluation increase.

3 Significant accounting policies *(continued)*

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost represents purchase price and is calculated using the FIFO method. Net realisable value represents the estimated selling price less all costs to be incurred in marketing, selling and distribution.

Financial instruments

Financial assets and financial liabilities are recognised on the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument.

Financial assets
All financial assets are recognised and derecognised on a trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value.

Financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss' (FVTPL), 'held to maturity' investments, 'available-for-sale' (AFS) financial assets and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Effective interest method
The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL.

Financial assets at FVTPL
Financial assets are classified as at FVTPL when the financial asset is either held for trading or it is designated as at FVTPL.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

3 Significant accounting policies *(continued)*

Financial instruments *(continued)*

Financial assets at FVTPL (continued)
A financial asset other than a financial asset held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed, and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives.

Financial assets at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other gains and losses' line item in the income statement.

Loans and receivables
Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables do not carry any interest and are stated at amortised cost as reduced by appropriate allowances for estimated irrecoverable amounts. Allowances incorporate an expectation of life- time credit losses from initial recognition and are determined using an expected credit loss approach.

Impairment of financial assets
IFRS 9 mandates the use of an expected credit loss model to calculate impairment losses rather than an incurred loss model, and therefore it is not necessary for a credit event to have occurred before credit losses are recognised. As the Group's financial assets primarily comprise its portfolio of current trade receivables which have a consistent history of low levels of impairment the inclusion of specific expected credit loss considerations did not have a material impact on transition.

Derecognition of financial assets
The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

Financial liabilities and equity
Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

Financial liabilities
Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

3 Significant accounting policies *(continued)*

Financial instruments *(continued)*

Financial liabilities at FVTPL
Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

Financial liabilities at FVTPL (continued)
A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed, and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the income statement.

Other financial liabilities
Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

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

Cash and cash equivalents
Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash with a short maturity of three months or less from the date of acquisition and are subject to an insignificant risk of changes in value.

3 Significant accounting policies *(continued)*

Leasehold improvements

Leasehold improvements include lease arrangement fees and other directly attributable costs in arranging and securing leases. Leasehold improvements have been included within the property, plant and equipment balance in line with IAS 16 requirements as at 31 March 2021.

Under IAS 17 in the prior year, they were held as prepayments on the balance and amortised over the term of the lease. The prior year balance has been reclassed to property, plant and equipment in line with IAS 16 requirements

Business combinations

The Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition is measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

Any contingent consideration payable is measured at fair value at the acquisition date. If the contingent consideration is classified as equity, then it is not remeasured, and settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

Discontinued operations and assets held for sale

Discontinued operations and assets held for sale are carried at the lower of carrying amount or fair value less cost to sell. Any gain or loss from disposal, together with the results of these operations until the date of disposal, is reported separately as discontinued operations. The financial information of discontinued operations is excluded from the respective captions in the consolidated financial statements and related notes for all periods presented. Comparatives in the balance sheet and statement of cash flow are re-presented when a disposal group is classified as held for sale.

Share based payments

The Group has granted rights to equity instruments in its subsidiary to the employees within the Group of such subsidiary. The Group accounts for such arrangements as equity-settled share-based payment arrangements. The fair value of these equity settled transactions is determined at grant date and is recognised as an expense in the income statement with a corresponding credit to retained earnings.

Government grants

The Group has recognised government grants only when there is reasonable assurance that: (a) the entity will comply with any conditions attached to the grant; and (b) the grant will be received. Government grants receivable as compensation for costs already incurred are recognised in the income statement, matched against the related costs. Government grants receivable for immediate financial support, with no future related costs, are recognised as income in the period in which it is receivable.

4 Critical accounting judgements and key sources of estimation uncertainty

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

The following are the critical judgements and uncertainties at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, that the Directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

Critical accounting judgements

Leasehold improvements

Leasehold improvements include directly attributable staff costs.

Management judgement is involved in determining the nature and proportion of staff costs to be capitalised staff. The percentage allocation for the capitalisation of salaries has been agreed and is reviewed periodically by management.

Going concern

The going concern disclosure is an area of judgement. Refer to going concern note in Note 3 to the financial statements.

Key sources of estimation uncertainty

Taxation

Accruals for corporation tax contingencies require estimating the level of corporation tax that will be payable based upon the interpretation of applicable tax legislation on a country-by-country basis and an assessment of the likely outcome of any open tax computations. All such accruals are included within current liabilities. 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.

There are €1.3m of unrecognised deferred tax assets arising in respect of the German entities in the Group, which can only be utilised once EBITDA reaches certain levels. Deferred tax assets have only been recognised to the extent that forecasts provide sufficient EBITDA for them to be utilised. There is a further deferred tax asset of €6.5m not recognised in respect of losses arising in various entities where the ability to utilise the asset in subsequent years is unknown.

Lease liability – discount rate

The Group implemented IFRS 16 Leases during the year using the modified retrospective approach. The calculation of lease liabilities requires the Group to determine an incremental borrowing rate (IBR) to discount future minimum lease payments. Judgement is applied in determining the components of the IBR used for each lease including risk free rates, the Group's borrowing margin and any lease specific adjustments.

5 Revenue

	2022 €m	2021 €m
Revenue	**62.9**	19.3
Total revenue	**62.9**	19.3

Revenue is generated by the provision of hotel accommodation and related services.

Geographical information

The following table provides an analysis of the Group's revenue by geographical market:

2022	**UK €m**	**Germany, Switzerland and Austria €m**	**Netherland and Belgium €m**	**France and Italy €m**	**Denmark and Hungary €m**	**Consolidated €m**
Turnover						
Continuing operations	**0.1**	**35.5**	**9.6**	**12.7**	**5.0**	**62.9**
Total turnover	**0.1**	**35.5**	**9.6**	**12.7**	**5.0**	**62.9**

2021	**UK €m**	**Germany, Switzerland and Austria €m**	**Netherland and Belgium €m**	**France and Italy €m**	**Denmark and Hungary €m**	**Consolidated €m**
Turnover						
Continuing operations	0.1	13.0	2.6	2.6	1.0	19.3
Total turnover	0.1	13.0	2.6	2.6	1.0	19.3

6 Operating loss

	2022 €m	2021 €m
Loss for the year has been arrived at after charging/(crediting):		
Net foreign exchange losses/(gains)	**(0.4)**	0.5
Depreciation of property, plant and equipment	**33.6**	31.0
Amortisation of other intangible assets	**0.8**	0.7
Impairment of property, plant and equipment	**0.0**	2.0
Staff costs (see below)	**28.1**	19.2
Separately disclosed items (see note 7)	**0.4**	3.5
Total auditor's remuneration (see below)	**0.5**	0.4

The analysis of auditor's remuneration is as follows:

	2022 €m	2021 €m
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	**0.3**	0.1
Fees payable to the Company's auditor and their associates for other services to the Group:		
The audit of the Company's subsidiaries pursuant to legislation	**0.2**	0.3
Total audit fees	**0.5**	0.4
Taxation compliance services	**-**	-
Other taxation advisory services	**-**	-
Total non-audit fees	**-**	-
Total fees	**0.5**	0.4

Fees payable by Meininger Hotels Limited and its associates for non-audit services to the Company are not required to be disclosed because the consolidated financial statements are required to disclose such fees on a consolidated basis.

Staff costs

	2022 Number	2021 Number
The average monthly number of employees (including executive Directors) was:		
Permanent	**935**	791
Seasonal	**-**	-
	935	791

6 Operating loss *(continued)*

Staff costs (continued)

Their aggregate remuneration comprised:

	2022 €m	2021 €m
Wages and salaries	**23.1**	14.7
Social security costs	**4.6**	4.2
Other pension costs (see note 22):		
Defined contribution	**0.4**	0.3
	28.1	19.2

Refer to note 10 for Directors' remuneration and transactions.

7 Separately disclosed items

	2022 €m	2021 €m
Separately disclosed items	**0.4**	3.5

Separately disclosed items in the current year relate to legal and restructuring costs of €0.4m (2021 - €3.5m).

8 Finance costs

	2022 €m	2021 €m
Bank loans and overdrafts	**0.8**	1.0
Interest on lease liabilities	**13.5**	11.5
Interest on other loans		-
	14.3	12.5

9 Finance income

	2022 €m	2021 €m
Interest receivable	**2.8**	4.8

10 Directors' remuneration and transactions

	2022 €m	2021 €m
Directors' remuneration		
Emoluments	**0.7**	0.6
Compensation for loss of office	**0.2**	
Company contributions to money purchase pension schemes	**-**	-
	0.9	0.6

	Number	Number
The number of Directors who:		
Are members of a money purchase pension scheme	**2**	2

	2022 €m	2021 €m
Remuneration of the highest paid Director:		
Emoluments	**0.5**	0.4

11 Tax

	2022 €m	2021 €m
Current tax:		
Corporation tax - UK	**-**	-
Corporation tax - Overseas	**0.2**	0.5
Adjustments in respect of prior years - UK	**-**	(1.8)
Adjustments in respect of prior years - Overseas	**(0.7)**	0.9
Total current tax	**(0.5)**	(0.4)
Deferred tax		
Origination and reversal of timing differences	**(13.0)**	(3.2)
Adjustment in respect of prior years	**-**	-
Total deferred tax (see note 17)	**(13.0)**	(3.2)
Tax credit for the year	**(13.5)**	(3.6)

11 Tax *(continued)*

UK corporation tax is calculated at 19% (2021 - 19%) of the estimated assessable loss for the year. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

The charge for the year can be reconciled to the loss per the income statement as follows:

	2022 €m	2021 €m
Group loss on ordinary activities before tax	**(29.2)**	(56.2)
Tax at standard UK corporation tax rate of 19% (2021 - 19%)	**(5.5)**	(10.7)
Expenses not deductible	**2.1**	1.0
Income not taxable for tax purposes	**(1.4)**	-
Adjustment to tax charge in respect of prior years	**(0.7)**	(0.9)
Effect of difference in overseas tax rates	**(0.8)**	(4.7)
Group relief	**(1.0)**	(0.9)
Losses (recognised)/carried forward	**(6.2)**	12.6
Group total tax credit for the year	**(13.5)**	(3.6)

Factors that may affect future tax charges

As per the budget announcement in March 2021, the rate of corporation tax will increase from April 2023 to 25% on profits over £250,000. A small profits rate of 19% will apply to profits under £50,000 and tapering up to profits of £250,000.

12 Intangible assets

	Software €m
Cost	
At 1 April 2019	2.5
Additions	1.4
At 31 March 2020	3.9
Additions	0.3
At 31 March 2021	4.2
Additions	0.2
Recategorisation	0.3
At 31 March 2022	**4,7**
Amortisation	
At 1 April 2019	1.1
Charge for the year	0.6
At 31 March 2020	1.7
Charge for the year	0.7
At 31 March 2021	2.4
Charge for the year	0.8
Recategorisation	0.3
At 31 March 2022	**3.5**
Net book value	
At 31 March 2022	**1.2**
At 31 March 2021	1.8
At 31 March 2020	2.2

13 Property, plant and equipment

	Fixtures, fittings and equipment	Leasehold improvements	Total
	€m	€m	€m
Cost			
At 1 April 2019	34.8	23.7	58.5
Exchange differences	(0.2)	(0.1)	(0.3)
Additions	9.7	4.2	13.9
Impairment	-	(13.7)	(13.7)
At 31 March 2020	44.3	14.1	58.4
Exchange differences	0.5	-	0.5
Additions	2.3	0.6	2.9
Impairment	(2.0)	(0.6)	(2.6)
At 31 March 2021	45.1	14.1	59.2
Additions	5.2	0.3	5.5
Recategorisation	2.5	1.5	4.0
At 31 March 2022	**52.8**	**15.9**	**68.7**
Accumulated depreciation			
At 1 April 2019	8.3	-	8.3
Charge for the year	4.0	0.6	4.6
At 31 March 2020	12.3	0.6	12.9
Charge for the year	4.1	0.8	4.9
Impairment	(0.6)	-	(0.6)
At 31 March 2021	15.8	1.4	17.2
Exchange differences	(0.1)	0.0	(0.1)
Charge for the year	4.0	0.8	4.8
Recategorisation	2.5	1.5	4.0
At 31 March 2022	**22.2**	**3.7**	**25.9**
Net book value			
At 31 March 2022	**30.6**	**12.2**	**42.8**
At 31 March 2021	29.3	12.7	42.0
At 31 March 2020	32.0	13.5	45.5

A review of leasehold improvements at the balance sheet date resulted in an impairment of €nil (2021 - €0.6m).

14 Inventories

	2022 €m	2021 €m	2020 €m
Finished goods held for resale	**0.4**	0.3	0.4

There is no material difference between the balance sheet value of inventory and their replacement cost.

15 Trade and other receivables

	2022 €m	2021 €m	2020 €m
Amounts receivable from the sale of services	**3.1**	1.5	2.0
Amounts due from parent undertakings	**141.4**	143.5	152.3
	144.5	145.0	154.3

The amounts due from parent Group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

The average credit period taken on sales of services is 18 days (2021 - 28 days, 2020 – 20 days). No interest is charged on receivables.

Included in the Group's trade receivable balance are debtors with a carrying amount of €1.3 m (2021 - €0.4m) which are past due at the reporting date but for which the Group has not provided as there has not been a significant change in credit quality and the amounts are still considered recoverable. The Group does not hold any collateral over these balances.

The ageing of past due but not impaired trade receivables is as follows:

	2022 €m	2021 €m	2020 €m
1-30 days past due	**0.4**	0.2	0.1
31-60 days past due	**0.1**	-	-
61-90 days past due	**0.0**	0.2	0.6
Over 91 days past due	**0.8**	-	-
	1.3	0.4	0.7

In determining the recoverability of a trade receivable, the Group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date. The concentration of credit risk is limited due to the customer base being large and unrelated. Furthermore, the Group only sells to customers who pass the creditworthiness tests noted above. This ensures the credit quality of trade receivables that are neither past due nor impaired.

Trade receivables of €0.1m (2021 - €0.4m) were impaired during the year.

The Directors consider that the carrying amount of trade and other receivables approximates their fair value on the basis of discounted cash flows.

16 Deferred revenue

	2022 €m	2021 €m	2020 €m
Arising from customer deposits	**6.5**	3.8	6.3

The deferred revenue arises as a result of deposits received from customers for advance bookings.

17 Deferred tax

The following are the major deferred tax liabilities and assets recognised by the Group and the movements thereon during the current and prior year.

Group	Property, plant & equipment €m	Other provisions €m	Other temporary differences €m	Losses €m	Total €m
At 1 April 2019	(1.2)	0.3	(4.8)	-	(5.7)
Charge to profit or loss	(52.5)	4.0	51.9	-	3.4
Recognised directly in equity	0.1	-	(0.1)	-	-
At 31 March 2020	(53.6)	4.3	47.0	-	(2.3)
Charge to profit or loss	(6.8)	(4.3)	14.3	-	3.2
At 31 March 2021	(60.4)	-	61.3	-	0.9
Charge to profit or loss	(42.3)	-	55.4	-	13.1
At 31 March 2022	**(102.7)**	**0.0**	**116.7**	**-**	**14.0**

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets against current tax liabilities and when deferred taxes relate to the same fiscal authority. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	2022 €m	2021 €m	2020 €m
Deferred tax assets	**116.7**	61.3	51.1
Deferred tax liabilities	**(102.7)**	(60.4)	(53.4)
	14.0	0.9	(2.3)

As at 31 March 2022, the Group consider it more likely than not based on forecasts, that there will be sufficient taxable profits in the future that will allow it to realise the deferred tax assets recognised.

18 Trade and other payables

	2022 €m	2021 €m	2020 €m
Trade payables	**20.7**	22.6	8.2
Other payables	**8.2**	5.7	7.4
Amounts due to parent Group undertakings	**-**	-	0.1
Accruals	**8.3**	3.9	4.7
	37.2	32.2	20.4

Trade payables and accruals principally comprise amounts outstanding for trade purchases and ongoing costs. The Group has financial risk management policies in place to ensure that all payables are paid within the appropriate time frame.

The Directors consider that the carrying amount of trade payables approximates their fair value on the basis of discounted cash flow analysis.

19 Share capital and share premium

Authorised, called-up and fully-paid	**2022**	**2021**	**2020**
Ordinary Shares – nominal value £1			
Number of shares	**30,347,000**	29,225,000	28,100,000
	€m	**€m**	**€m**
Share capital	**36.7**	35.4	34.1
Share premium	**127.8**	115.1	102.4

At the balance sheet date, €14.0m owed by the Company to Holidaybreak Limited was converted it into 1,122,000 Ordinary shares at a nominal value of £1 (€1.19) and premium of £9.51 (€11.27).

20 Note to the cash flow statement

	2022 €m	2021 €m
Loss for the year	**(15.7)**	(52.6)
Adjustment for:		
Other gains	**(0.8)**	(1.2)
Finance costs	**11.4**	8.1
Income tax credit	**(13.5)**	(3.6)
Gains/loss on disposal of discontinued operations	**(0.1)**	-
Depreciation of property, plant and equipment and ROU assets	**33.6**	31.0
Amortisation of other intangible assets	**0.8**	0.7
Impairment of property, plant and equipment (including ROU assets)		3.0
Cash generated from/(used for) operations before working capital changes	**15.7**	(14.6)
(Increase) Decrease in inventories	**(0.1)**	0.1
(Increase) /Decrease in receivables	**(3.7)**	(8.4)
Increase/Decrease in payables	**9.3**	9.4
Net cash (outflow) generated by operations	**21.2**	(13.5)
Tax (paid)/refunded	**(0.7)**	1.4
Net cash from operating activities	**20.5**	(12.1)

Cash inflow from operating activities has been generated from continuing operations.

Cash and cash equivalents

	2022 €m	2021 €m	2020 €m
Cash and bank balances	**8.0**	5.6	4.3

Cash and cash equivalents comprise cash and short-term bank deposits with an original maturity of three months or less, net of outstanding bank overdrafts. The carrying amount of these assets is approximately equal to their fair value. Cash and cash equivalents at the end of the reporting period as shown in the consolidated statement of cash flows can be reconciled to the related items in the consolidated balance sheet position as shown above.

21 Contingent liabilities and contractual commitments

At 31 March 2022 the Group had total bank guarantees of €23.9m (2021 - €21.2m). There was cash cover in place amounting to €23.9m (2021 - €21.4m) that has been provided against the bank guarantees. Refer to note 23.

The Company will guarantee the debts and liabilities of its subsidiaries Meininger Limited (registered number 05898245), Meininger Hotel Europe Limited (registered number 09578443), and Meininger Hotel Manchester Limited (registered number 11716840) at the balance sheet date in accordance with section 479A of the Companies Act 2006. The Company has assessed the probability of loss under these guarantees as remote.

22 Retirement benefit schemes

Defined contribution schemes

The Group operates several defined contribution retirement benefit schemes for qualifying employees. The assets of the schemes are held separately from those of the Group in funds under the control of trustees.

The total cost charged to the income statement of €0.4m (2021 - €0.3m) represents contributions payable to these schemes by the Group at rates specified in the rules of the schemes. No amounts were outstanding at either 31 March 2022 or 31 March 2021.

23 Prepayments

	2022 €m	**2021 €m**	**2020 €m**
Current			
Booking related prepayments	**9.2**	5.4	1.4
Other prepayments and receivables	**32.2**	33.6	27.9
Total current prepayments	**41.4**	39.0	29.3

Other prepayments include €23.9m (2021 - €21.4m) cash cover provided against bank guarantees. Refer to note 21.

24 Related party transactions

Balances and transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note. Details of the transactions during the year and balances at 31 March 2022 are shown in the table below.

	31 March 2022 €m		31 March 2021 €m		31 March 2022 €m		31 March 2021 €m	
	Balances		Balances		Transactions		Transactions	
	Debtor	Creditor	Debtor	Creditor	To	From	To	From
Holidaybreak Limited	**141.4**	**(155.5)**	143.5	(149.8)	-	-	-	-
Total	**141.4**	**(155.5)**	143.5	(149.8)	-	-	-	-

Remuneration of key management personnel

The remuneration of the key management personnel of the Group, is set out below in aggregate for each of the categories specified in IAS 24 'Related Party Disclosures'.

	2022 €m	2021 €m
Short term employee benefits	**1.0**	1.0
Post-employment benefits	**-**	-
Total	**1.0**	1.0

25 Share based payments

The Group has an equity settled share-based payment scheme in the Company approved by its shareholders at a board meeting on 10 January 2017. The Company has issued to senior management and its directors 100,001 (2021 - 100,001) A ordinary shares under this scheme.

The details of this scheme are as follows:

Expiry date	None
Initial hurdle	€138.8m as at 30 April 2013
Event	Sale of shares or listing of this Company or return of capital to the Company's shareholders.
Exercisable value	20% of the realisable value less the initial hurdle as increased by fresh capital invested in the Company, decreased by distribution made by the Company to the holders of ordinary shares in the Company and compounded at annual rate of 16%.

The Group has not recorded any liabilities in respect to the above scheme because as at 31 March 2022, the Directors do not deem an 'exit' event to be probable as at the balance sheet date.

26 Lease arrangements

An analysis of the Group's right-of-use asset and lease liability is as follows:

Right-of-use asset

	Property €m
Cost	
At 1 April 2020	378.3
Exchange differences	4.8
Additions	61.1
Impairment	(1.0)
At 31 March 2021	443.2
Additions	31.7
Recategorisation	0.5
Disposal	(0.2)
At 31 March 2022	**475.3**
Accumulated depreciation	
At 1 April 2020	24.1
Charge for the year	26.1
Impairment	0.2
At 31 March 2021	50.4
Charge for the year	28.8
Exchange Diff	(0.7)
Recategorisation	0.5
Disposal	(0.2)
At 31 March 2022	**78.8**
Carrying amount	
At 31 March 2022	**396.5**
At 31 March 2021	392.9
At 31 March 2020	354.2

During the year, impairment losses of €nil (2021 - €0.2m) were recognised.

26 Lease arrangements *(continued)*

Lease liabilities The Incremental Borrowing Rate range at adoption of IFRS16 was 0.92% to 4.98%.

The Group has entered in to an initial lease for each of the property ranging between 12 to 20 years. Most of the leases have a further extension option of 5 to 10 years.

Management will assess the option to extend each of the lease closer to the end of initial lease term, therefore, the lease liability has not been considered for the term of extension.

	2022 €m	2021 €m	2020 €m
Current	**27.6**	20.5	21.1
Non-current	**405.9**	398.4	346.6
Total lease liabilities	**433.5**	418.9	367.7

	€m
At 1 April 2020	367.7
Additions	59.4
Lease modification	10.7
Exchange differences	3.9
Interest	11.8
Closing	(9.0)
Repayments	(25.6)
At 31 March 2021	418.9
Additions	31.6
Lease modification	-
Exchange differences	1.0
Interest	13.5
Closing	-
Repayments	(31.5)
At 31 March 2022	**433.5**

Maturity analysis – contractual undiscounted cash flows:

	2022 €m	2021 €m	2020 €m
Less than one year	**41.9**	33.1	32.1
One to five years	**160.2**	143.9	124.6
More than five years	**356.4**	354.9	311.9
Total undiscounted lease liabilities	**558.5**	531.9	468.6

26 Lease arrangements *(continued)*

The following are the amounts recognised within the loss from continuing operations:

	2022 €m	2021 €m	2020 €m
Depreciation of right-of-use assets	**28.8**	26.1	24.1
Interest expense on lease liabilities	**13.5**	11.8	11.3
Variable lease payments	**-**	-	0.5
Impairment of right-of-use asset	**-**	1.0	0.8
Net lease expense recognised in the consolidated income statement	**42.3**	38.9	36.7

At the balance sheet date, the Group had committed to leases for the properties of: Bremen; Dresden; Krakow; Cologne; and Tel Aviv for which handover had not yet taken place, and as such the lease had not yet commenced.

27 Amounts due to parent undertakings

	2022 €m	2021 €m	2020 €m
Amounts due to parent undertakings	**155.5**	149.8	145.1

The amounts due to parent undertakings is an intercompany loan note with Holidaybreak Limited. The loan levies interest at 3.5% margin plus EURIBOR and is repayable in March 2024.

28 Post balance sheet events

In December 2022 the Company and their shareholder Holidaybreak Limited converted a further €5.0m owed by the Company to Holidaybreak Limited into 401.000 ordinary shares at a nominal value of £1 (€1.16) and premium of £9.75 (€11.30) to strengthen the equity situation.

Currently the Company has 33 hotels and they are all open for bookings for next year. Further hotels are expected to open in Venice in Q4 2023 and in Cologne and Krakow in Q3 2024. The bookings for next year are above those that the Company had (like for like) in December 2018 and December 2019 (pre-Covid).

The effects of Covid 19 has not resulted in an impairment of the investment value of the business due to there being sufficient headroom between the investment value and present value of forecast cash flows.

29 Provisions

	Dilapidation provision €m
Balance at 1 April 2019	1.7
Provisions made during the year	0.7
Balance at 31 March 2020	2.4
Provisions made during the year	0.2
Balance at 31 March 2021	2.6
Provisions made during the year	0.9
Balance at 31 March 2022	**3.5**

The Group is required to restore the leased premises of its hotels to their original condition at the end of the respective lease terms. A provision has been recognised for the present value of the estimated expenditure required to remove any leasehold improvements.

30 Government grants

The Group have claimed for grants from various Government schemes across the jurisdictions in which it operates.

In relation to employment compensation schemes, where salary costs are reimbursed or covered, total grants recognised in the financial statements amounted to €1.1m (2021 - €4.4m). In relation to other grants (fixed cost compensation grants and from loss of earnings schemes), total grants recognised in the financial statements amounted to €22.5m (2021 - €14.2m).

No grants have been recognised where there are further conditions that need to be satisfied before receipt of the funds, albeit some claims were finalised and submitted after the year end date.

Of the total grants recognised in these financial statements €6.1m (2021 – €10.3m) were outstanding at the balance sheet date, but essentially have since been received.

31 Borrowings

	2022 €m	2021 €m	2020 €m
Secured borrowings at amortised cost			
External loans	**7.4**	11.9	-
The borrowings are repayable as follows:			
Between one and two years	**0.9**	0.5	-
Between two and five years	**1.2**	1.0	-
In greater than five years	**0.5**	0.6	-
	2.6	2.1	-
On demand or within one year	**4.8**	9.8	-
	7.4	11.9	-

Group	Euros	Total
Analysis of borrowings by currency:		
At 31 March 2022		
External loans	**7.4**	**7.4**
At 31 March 2021		
External loans	11.9	11.9
At 31 March 2020		
External loans	-	-

	2022 %	2021 %	2020 %
The weighted average interest rates paid were as follows:			
External loans	3.3	3.6	-

The other principal features of the Group's borrowings are as follows:

The total borrowings above are secured by a fixed and floating charge over certain of the Group's assets.

Included within amounts due to be settled within 12 months is a €5m bank loan, of which €2m was repaid in July 2022 and €3m in August 2022. At the year end, the Group was in breach of covenants for this loan, but was able to negotiate terms with the lender to avoid an event of default. Waiver certificates have been received from the bank in relation to this breach.

32 Financial instruments

Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns whilst maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Group consists of debt, which includes borrowings (note 31), cash and cash equivalents and equity attributable to the equity holders of the parent Company, which comprises issued share capital, reserves and retained earnings as disclosed in the statement of changes in equity.

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed within the significant accounting policies in note 3.

The Group considers itself to be exposed to currency risk, credit risk, liquidity risk and cash flow interest rate risk. The Group's policies and procedures for identifying and mitigating the risks are documented within pages 2 to 4 of the Strategic report which forms part of these financial statements.

	2022 €m	2021 €m
Financial assets		
Cash and cash equivalents	**8.0**	5.6
Loans and receivables	**185.9**	184.0
Total financial assets	**193.9**	189.6
Financial liabilities		
Amortised cost	**7.4**	11.9
Total financial liabilities	**7.4**	11.9

Liquidity and interest risk tables

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

Though the Directors monitor the liabilities of the Group on a long-term basis to ensure that there is sufficient liquidity to meet the long-term objectives and financial obligations of the Group, there is also a substantial focus on the next 12 months which are the immediate obligations for the Group. The financial liabilities of the Group have been categorised as accordingly "into liabilities due within 1 year" and "liabilities due in more than 1 year".

32 Financial instruments *(continued)*

Liquidity and interest risk tables *(continued)*

2022	**Less than 1 year €m**	**More than 1 year €m**	**Total €m**
Non-interest bearing	**35.5**	**-**	**35.5**
Variable interest rate instruments	**4.8**	**2.2**	**7.0**

2021	**Less than 1 year €m**	**More than 1 year €m**	**Total €m**
Non-interest bearing	30.3	-	30.3
Variable interest rate instruments	**9.8**	2.1	11.9

The Group has access to financing facilities via its parent company, the total unused amount of which is €4.5m (2021 - €9.5m) at the balance sheet date. The Group expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

33 Extracts from Financial Statements and notes where PY figures have been restated:

During the year, the group evaluated its treatment of certain costs connected with its leased properties including property taxes and landlord insurance charges. These had previously been charged to the profit and loss account as incurred, but have been restated to include them as part of the contractual lease obligations to correct an error identified in the previous accounting treatment. The result of the restatement is to gross up the right of use asset and lease liabilities balances as shown in the table below:

Extracts from Consolidated Balance Sheet where PY figures have been restated:

	Note	2021 Restated	2021 Published	2021 Variance	2020 Restated	2020 Published	2020 Variance
		€m	€m	€m	€m	€m	€m
Consolidated balance sheet							
Right-of-use assets*	26	392.9	382.6	10.3	354.2	343.2	11.0
Non- current assets		437.6	427.3	10.3	401.9	390.9	11.0
Total assets		627.5	617.2	10.3	590.2	579.2	11.0
Lease liabilities*	26	(398.4)	(388.1)	(10.3)	(346.6)	(335.6)	(11.0)
Total non-current liabilities		(552.9)	(542.6)	(10.3)	(496.4)	(485.4)	(11.0)
Total liabilities		(622.6)	(612.3)	(10.3)	(546.6)	(535.6)	(11.0)
Net Assets		4.9	4.9	-	43.6	43.6	-

As a result of this restatement, the profit or loss for each previous year has not changed, but the allocation of costs has changed with a reduction in property tax and insurance costs of €1.0m in 2021 and an increase in amortisation of right of use assets of €0.7m and an increase in finance charges of €0.3m The cashflow statement for 2021 has also been restated with no net change in cashflows or the cash and cash equivalents figure but a reduction in the cash outflow from operations of €1.0m for 2021 and an increase in cash outflows from financing of €1.0m.

Meininger Hotels Limited

Company balance sheet
at 31 March 2022

Company number 08895474	Note	2022 €m	2021 €m	2020 €m
Fixed assets				
ROU assets		**0.1**	0.1	-
Investments	39	**0.1**	0.1	0.1
		0.2	0.2	0.1
Current assets				
Trade and other receivables	37	**211.3**	197.1	197.0
Cash and bank balances		**1.6**	0.9	1.4
Total current assets		**212.9**	198.0	198.4
Total assets		**213.1**	198.2	198.5
Current liabilities				
Trade and other payables	38	**(27.2)**	(30.8)	(50.9)
Net current assets		**185.7**	167.2	147.5
Total assets less current liabilities		**185.7**	167.4	147.6
Net assets		**185.9**	167.4	147.6
Capital and reserves				
Called-up share capital		36.8	35.5	34.2
Share premium account		127.8	115.1	102.4
Profit and loss account		21.3	16.8	11.0
Shareholder's funds		**185.9**	167.4	147.6

As permitted by section 408 of the Companies Act 2006 the Company has elected not to present its own profit and loss account for the year. The Company reported a profit for the financial year ended 31 March 2022 of €4.5m (2021 - €5.8m).

The financial statements of Meininger Hotels Limited (registered number 08895474) were approved and signed on behalf of the Board on 2 March 2023

A Menon
Director

The notes on pages 57 to 63 form part of these financial statements.

Meininger Hotels Limited

Company statement of changes in equity for the year ended 31 March 2022

	Share capital €m	Share premium account €m	Retained earnings €m	Total €m €m
Balance at 1 April 2019	34.2	102.4	11.4	148.0
Total profit/(loss) and comprehensive profit/(loss) for the year	-	-	(0.4)	(0.4)
Shares issued	-	-	-	-
Balance at 31 March 2020	34.2	102.4	11.0	147.6
Total profit/(loss) and comprehensive profit/(loss) for the year	-	-	5.8	5.8
Shares issued	1.3	12.7	-	14.0
Balance at 31 March 2021	35.5	115.1	16.8	167.4
Total profit/(loss) and comprehensive profit/(loss) for the year	-	-	4.5	4.5
Shares issued	1.3	12.7	-	14.0
Balance at 31 March 2022	**36.8**	**127.8**	**21.3**	**185.9**

The notes on pages 57 to 63 form part of these financial statements.

34 Significant accounting policies

The separate financial statements of the Company are presented as required by the Companies Act 2006. The Company is a private company, incorporated in England with its registered office addressed disclosed in the consolidated financial statements. The Company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council. Accordingly, the financial statements have therefore been prepared in accordance with FRS 101 (Financial Reporting Standard 101) 'Reduced Disclosure Framework' as issued by the Financial Reporting Council.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash-flow statement and certain related party transactions.

Where required, equivalent disclosures are given in the consolidated financial statements.

The financial statements have been prepared on the historical cost basis. The principal accounting policies adopted are the same as those set out in note 3 to the consolidated financial statements except as noted below:

- Investments in subsidiaries are stated at cost less, where appropriate, provisions for impairment.

Critical accounting judgements and key sources of estimation uncertainty

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

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

The Directors have not made any critical judgements or key sources of estimation uncertainty in applying the Company's accounting policies.

35 Auditor's remuneration

The auditor's remuneration for audit and other services is disclosed in note 6 to the consolidated financial statements.

36 Staff costs

	2022 Number	2021 Number
The average monthly number of employees (including executive Directors) was:		
Management and administration	**11**	13

	2022 €m	2021 €m
Their aggregate remuneration comprised:		
Wages and salaries	**1.7**	1.7
Social security costs	**0.2**	0.3
	1.9	2.0

37 Trade and other receivables

	2022 €m	2021 €m	2020 €m
Amounts owed by Group undertakings	**186.3**	174.8	170.4
Other receivables and prepayments	**25.0**	22.3	26.6
	211.3	197.1	197.0

The amounts owed by Group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

38 Trade and other payables

	2022 €m	2021 €m	2020 €m
Amounts owed to Group undertakings	**21.8**	19.8	45.9
Trade payables	**0.1**	0.9	0.7
Corporation tax	**(0.2)**	(0.2)	0.2
Accruals and deferred income	**0.5**	0.4	4.0
Other taxes and social security	**-**	0.1	0.1
Other payables	**0.1**	-	-
Borrowings	**4.9**	9.8	-
	27.2	30.8	50.9

The amounts owed to Group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

39 Fixed asset investments

	€m
Cost at 1 April 2021	0.1
Additions	-
Disposals	-
Impairment	-
Net book value at 31 March 2022	**0.1**

All subsidiary undertakings of Meininger Hotels Limited are as follows:

	Registered office	Country of incorporation and operation	Proportion of ordinary share capital held by the Company (%)	Proportion of ordinary share capital held by subsidiaries of the Company (%)
HB Hotel Holdings GmbH**	Berlin#	Germany	100	100
Meininger Holding GmbH**	Berlin#	Germany	-	100
Meininger Airport Hotels BBI GmbH	Berlin#	Germany	-	100
Meininger Airport Frankfurt GmbH	Berlin#	Germany	-	100
Meininger "10" Frankfurt GmbH	Berlin#	Germany	-	100
Meininger "10" Hostel und Reisevermittlungs GmbH	Berlin#	Germany	-	100
Meininger Shared Services GmbH	Berlin#	Germany	-	100
Meininger "10" City Hostel Berlin-Mitte GmbH	Berlin#	Germany	-	100
Meininger "10" Hamburg GmbH	Berlin#	Germany	-	100
Meininger Oranienburger Strasse GmbH	Berlin#	Germany	-	100
Meininger Berlin Hauptbahnhof GmbH	Berlin#	Germany	-	100
Meininger Brussels GmbH	Berlin#	Germany	-	100
Meininger Hotel Berlin Tiergarten GmbH	Berlin#	Germany	-	100
Meininger Barcelona GmbH	Berlin#	Germany	-	100
Meininger Hotel Berlin East Side Gallery GmbH	Berlin#	Germany	-	100
Meininger West GmbH & Co. KG	Berlin#	Germany	-	100
Meininger West Verwaltungs GmbH	Berlin#	Germany	-	100
Meininger Hotel Heidelberg GmbH	Berlin#	Germany	-	100
Meininger Hotel München Olympiapark GmbH	Berlin#	Germany	-	100
Meininger Hotel Leipzig Hauptbahnhof GmbH	Berlin#	Germany	-	100
Meininger Hotel Dresden GmbH	Berlin#	Germany	-	100
Meininger Hotel Bremen GmbH	Berlin#	Germany	-	100

39 Fixed asset investments *(continued)*

	Registered Office	Country of incorporation and operation	Proportion of ordinary share capital held by the Company (%)	Proportion of ordinary share capital held by subsidiaries of the Company (%)
Meininger Hotel Köln West GmbH	Berlin#	Germany	-	100
Meininger Hotel Stuttgart GmbH	Berlin#	Germany	-	100
Meininger Amsterdam BV	Netherlands#	Netherlands	-	100
Meininger Amsterdam Amstelstation BV	Netherlands#	Netherlands	-	100
Meininger Wien Schiffamtsgasse GmbH	Schiffamtgasse 15, 1020 Wien, Austria	Austria	-	100
Meininger Wien GmbH	Rembrandstraße 21, 1020 Wien, Austria	Austria	-	100
Meininger Hotelerrichtungs GmbH	Fürbergstraße 18-20, 5020 Salzburg, Austria	Austria	-	100
Meininger City Hostels & Hotels GmbH	Schiffamtgasse 15, 1020 Wien, Austria	Austria	-	100
Meininger Hotel Innsbruck GmbH	Blasius-Hueber-Straße 4, 6020 Innsbruck	Austria	-	100
Meininger Hotel Hungary Kft	Csarnok tér 2, 1093 Budapest, Hungary	Hungary	-	100
Meininger Hotel Venice S.R.L (formerly Meininger Shared Service Italy SRL)	Milan#	Italy	-	100
Meininger Hotel Rome Termini Station SRL	Milan#	Italy	-	100
Meininger Hotel Milan Lambrate SRL	Milan#	Italy	-	100
Meininger Hotel Milan City SRL	Milan#	Italy	-	100

39 Fixed asset investments *(continued)*

	Registered office	Country of incorporation and operation	Proportion of ordinary share capital held by the Company (%)	Proportion of ordinary share capital held by subsidiaries of the Company (%)
Meininger Hotel Asia Pacific Pte Limited**	80 Robinson Road, #02-00, Singapore, 068899	Singapore	100	100
Meininger Hotels (India) Private Limited	1st Floor, Turner Morrison Building, 16 Bank Street, Fort Mumbai, 400001, India	India	-	100
Meininger Hotel Zürich AG	Maneggstraße 41, 8041 Zurich, Switzerland	Switzerland	-	100
Meininger Hotel Genf AG	Rue de Lyon 118, 1203 Genève, Switzerland	Switzerland	-	100
Meininger Hotel Copenhagen ApS	Colbjørnsensgade 11, 1652 København, Denmark	Denmark	-	100
Meininger Hotel Brussels Midi Station SA	Rue de la Presse 4, 1000 Brussels, Belgium	Belgium	-	100
Meininger Hotel Paris Porte deVincennes SAS	37 Boulevard Carnot, 75012 Paris, France	France	-	100
Meininger Hotel Lyon SAS	7 Rue Professeur Zimmermann, 69007 Lyon, France	France	-	100
Meininger Hotel Bordeaux SAS	12 Rue de Commerce, 33800 Bordeaux, France	France	-	100
Meininger Hotels France SAS (incorporated 13.07.2021)	25/27 Rue Forbin, 13002 Marseille, France	France	-	100
Meininger Hotel Europe Limited**	Millbank#	England	100	100
Meininger Limited	Millbank#	England	-	100
Meininger Hotel Manchester Limited	Millbank#	England	-	100
Meininger Hotel Reykjavík ehf	Efstaleiti 5, 103 Reykjavík. Iceland	Iceland	-	100
Meininger Hotel Helsinki Oy	c/o Roschier Asianajotoimisto Oy Kasarmikatu 21 A 00130, Helsinki, Finland	Finland		100

39 Fixed asset investments *(continued)*

	Registered office	Country of incorporation and operation	Proportion of ordinary share capital held by the Company (%)	Proportion of ordinary share capital held by subsidiaries of the Company (%)
Meininger Paris SCI (dissolved 18.01.2022)	259 Rue Saint Honore 75001 Paris. France	France	99	100
Meininger Hotel Glasgow Limited (dissolved 27.04.2021)	272 Bath Street, Glasgow, Scotland, G2 4JR	Scotland	-	100
Meininger Hotel Russia Limited (dissolved 22.06.2021)	Millbank#	England	-	100
Meininger Hotels North America Limited (dissolved 18.05.2021)	Millbank#	England	100	100
Meininger Holding USA Inc. (dissolved 22.04.2021)	Blumberg Excelsior Services, 1013 Centre Road Suite, 403S Wilmington de 19805, County of New Castle	USA	-	100

** denotes holding company

Berlin#	Obentrautstraße 72, 10963 Berlin, Germany
Millbank#	3rd Floor, 30 Millbank, London, United Kingdom, SW1P 4DU
Netherlands#	Orlyplein 1, 1043DR, Amsterdam, Netherlands
Milan#	Via E. De Amicis, 53, 20100 Milan, Italy

40 Share based payments

The details of the share-based scheme are disclosed in note 25 to the consolidated financial statements. The Company has not recorded any liabilities in the financial statements as it is not material as at 31 March 2022.

41 Controlling party

The immediate parent undertaking is Holidaybreak Limited (HBL).

The smallest group above Meininger Hotels Limited (MHL) for which group financial statements have been prepared is HBL. Copies of the financial statements for HBL are available from: 3rd Floor, 30 Millbank, London, SW1P 4DU, which is also the Company's registered address.

HBL is 51% owned by Prometheon Holdings (UK) Ltd (PHUK) (in liquidation), a company registered in UK, and 49% owned by Borita Global Limited (Borita), a company registered in British Virgin Islands.

Borita's investment in HBL has preference and minority protection rights. Due to the insolvency of PHUK, Borita has the right to control the board of HBL and HBL in turn (as 100% shareholder of MHL) to control the Board of MHL. Borita is ultimately controlled by Ares Management Corporation, which is listed on the New York Stock Exchange.

The Directors believe that the Group will remain unaffected by the liquidation process at PHUK.