Felbridge Holdings Limited

Annual report and financial statements

Registered number 09917446

31 March 2021

Contents

Officers and professional advisor

Directors

Jonathan Patrick Braidley	Appointed on 25 May 2021
Bhriz Holloway	Appointed on 25 May 2021
Christopher Andre Kula	Appointed on 25 May 2021
Christopher David Elkins	Appointed on 02 December 2020 and resigned on 25 May 2021
Neil Jonathan Robson	Appointed on 02 December 2020 and resigned on 25 May 2021
Raoul René Hofland	Resigned on 25 May 2021
Gerardus Johannes Schipper	Resigned on 25 May 2021

Secretary
Intertrust (UK) Limited

Registered office
Queens Court
9-17 Eastern Road, Romford
Essex
RM1 3NG

Independent auditor
KPMG LLP
15 Canada Square
London
E14 5GL

Strategic report

The Directors present their Strategic report for the year ended 31 March 2021.

Review of the business

The principal activities of the Group during the period from 1 April 2020 to 31 March 2021 were the management of a hotel and similar accommodation.

As at 31 March 2021, the loss for the year amounted to £2,771,000 (2020: Loss £5,502,000), which reflected the continued COVID-19 pandemic effect, and the further lockdowns and restrictions were seen in late 2020 and early 2021 but all hotels remained open throughout to support key workers.

Key performance indicators

The Company's key financial and other performance indicators during the period were as follows:

Average rate: £48.74 (2020: £66.51)

Occupancy: 28.5% (2020: 73.7%)

RevPAR: £13.90 (2020: £49.01)

Hotel land and building valuation: £7,900,000 (2020: £8,971,000)

Turnover (continuing operations): £806,000 (2020: £4,534,000)

Loss for the financial year: £2,771,000 (2020: Loss £5,502,000)

Business review

The Group manages a hotel, held in the name of its subsidiary, New Century (East Grinstead) Limited.

The Group's ultimate parent decided to sell the wider Group in 2020, which completed in late May 2021. The Group has changed their management company partner to Valor Hospitality Europe, The management company will focus on maximizing the revenue generation and focusing on cost control will help to drive profitability. The strategic deployment of capital and intensive asset management will effectively lead to improved market share and return on investment.

During the year to 31 March 2021, the hotel land and building was valued by Savills. There was a net decrease in the value of the land and buildings of £0.96 million (2020: decrease of £3.81 million) due to revaluation.

Principal risks and uncertainties

Management of the company and execution of the company's strategy are subject to a number of risks. The risk and uncertainties which are currently judged to have the greatest impact on the Group's performance include the impact on hospitality and tourism as a result of the ongoing COVID–19 pandemic.

In line with the UK Government mandatory closure of hotels, all hotels closed on the 23rd March 2020, however, a number of hotels subsequently opened for key workers and all hotels opened for the general public in July 2020. Even after the restrictions are lifted, there is a risk of a recession, depressing demand from both the leisure and business customers, and a period of excess supply in the market. In addition, the major city events, meetings and social banqueting are still limited due to restrictions and consumers may also become reticent about mixing in a social setting and limit the time they spend in public spaces.

The potential to offset some of the declines with efficiencies may be limited, as in the short term with social distancing measures and health & safety protocol's, the scope of areas to achieve these efficiencies has been reduced.

Strategic report *(continued)*

Brexit related risks

Initially as we exited Europe in early 2020, the Group had highlighted several risks around Brexit, which included shortages of staff and recruitment of EU citizens, food and beverage cost increases, supply chain issues and short-term sales decline as companies adapted to the new rules.

The COVID-19 pandemic started to manifest itself in early March 2020 and the Hotels were mandated to shut in mid-March 2020, which resulting in the Brexit risks disappearing as the focus switched to managing through the pandemic and new government rules of lockdowns, tiered openings and then subsequent further lockdowns.

Looking forwards the challenges around the supply chain caused by COVID-19 and the shortage of quality staff will be the biggest risks for the foreseeable future.

Covid-19 related risks

The hotel operated by the Group closed to the general public in late March 2020 due to the coronavirus ("COVID-19") pandemic and re-opened in July 2020. Further lockdowns and restrictions were seen in late 2020 and early 2021 but all hotels remained open throughout to support key workers.

The COVID-19 pandemic has had a significant adverse impact on revenue, profitability, cashflows, valuations and reserves, however the directors have availed of government assistance and other self-help measures, where possible, to manage liquidity in the immediate short term.

The Group's liquidity continued to be adversely impacted as restrictions remained in place until the late spring 2021. The sale of the portfolio in May 2021, resulted in a significant improvement in liquidity through new debt and equity investment on the portfolio.

Further COVID-19 restrictions were introduced in Winter 2021 due to Omicron and this had subsequent negative impact on economic activity, but the group had secured a number of key worker contracts which helped mitigate a proportion of the trading effect of the restrictions. The company may experience further negative results should restrictions be re-introduced in 2022 but with key worker contracts in place, the business aims to minimise this.

Future developments

The private equity owners decided to sell the wider Group in late 2020, which completed in late May 2021.

The new owners Bryant Park Hospitality SARL, acquired the Group with the intension to invest in the portfolio, including up-branding several of the Hotels and ensuring the hotels are in the prime condition to maximise from the economic recovery post COVID-19.

The ownership change allowed the Group to be restructured allowing for the overall financial position to be significantly improved. The Group now benefits post acquisition from a 5-year facility with its external lenders, as part of these arrangements, the Group's external lenders have agreed to not test the covenants for the initial years.

C. A. Kula
Director

09th June 2022

Queens Court
9-17 Eastern Road, Romford
Essex
RM1 3NG

Company registered number: 09917446

Directors' report

The Directors present their annual report and audited financial statements of the Group and Company for the year ended 31 March 2021.

Directors

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

Jonathan Patrick Braidley	Appointed on 25 May 2021
Bhriz Holloway	Appointed on 25 May 2021
Christopher Andre Kula	Appointed on 25 May 2021
Christopher David Elkins	Appointed on 02 December 2020 and resigned on 25 May 2021
Neil Jonathan Robson	Appointed on 02 December 2020 and resigned on 25 May 2021
Raoul René Hofland	Resigned on 25 May 2021
Gerardus Johannes Schipper	Resigned on 25 May 2021

Dividend

No dividends have been declared for the period ended 31 March 2021 (2020: £nil).

Financial instruments

The Company finances its activities with a bank loan, shareholder loan and capital. Other financial assets and liabilities, such as trade debtors, cash and trade creditors, arise directly from the Company's operating activities.

Subsequent to the year end, the wider Group was sold, and all existing bank and shareholder loans were replaced with a new 5-year facility with its external lenders, and shareholder loan and capital.

Financial assets

Basic financial assets, including trade and other receivables and cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Financial liabilities

Basic financial liabilities, including trade and other payables, bank loans and loans from affiliated entities, are initially recognised at the transaction date, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

The Group and Company are exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks.

Political contributions

The Group made no charitable or political donations during the year (2020: £nil).

Disclosure of information to auditor

The directors who were members of the board at the time of approving the directors' report are listed on page 3. Each of these directors confirms that:

- to the best of each director's knowledge and belief, there is no information (that is, information needed by the Group's auditor in connection with preparing their report) of which the Group's auditor is unaware; and
- each director has taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the Group's auditor is aware of that information.

Auditor

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

Directors' report *(continued)*

Going concern

The Group's and Company's business activities, together with the factors likely to affect future development, performance and position are set out in the strategic report.

The Group's activities are the operation of a hotel. As a result, the ability of the Group to continue as a going concern is based on the ability of the trading entity within the Group to continue as a going concern.

The hotel operated by the Group closed to the general public in late March 2020 due to the coronavirus ("COVID-19") pandemic and re-opened in July 2020. Further lockdowns and restrictions were seen in late 2020 and early 2021 but the hotel remained open throughout to support key workers. This closure and follow-on restrictions have had a significant negative impact on revenue, profitability, cash flows, valuations and reserves, however the directors have availed of government assistance and other self-help measures, where possible, to manage liquidity in the immediate short term.

The Group's ultimate parent was previously owned by a private equity group, the private equity owners decided to sell the Group in 2020, which completed in late May 2021. The new directors prepared cashflow forecasts reflecting their best estimate of trading activity for the cross-collateralised Group for the period up to June 2023, based on the significant improvement in the trading environment since the restrictions have been eased in Summer 2021, which indicate that the Group is expected to have sufficient funds available to meet all operating and debt service commitments over that period. The Group is forecasting average occupancy for the 12 months to June 2023 of 79% which is prudent in comparison to average occupancy achieved for the 12 months to March 2020 (i.e. pre-COVID-19). The directors acknowledge that their forecasts and the related funding requirements include several critical assumptions and are, in particular, highly sensitive to assumptions about market demand as the Group operates with the continuing fall out of COVID-19.

The Group benefited post acquisition from a 5-year facility with its external lenders totalling £143,250,000. As part of these arrangements, the Group's external lenders have agreed to not test the covenants for the initial three years up to 15 August 2024. As part of the agreement, Bryant Park Hospitality S.A.R.L., the immediate parent, is required to inject 35% of the required funding before the Group is able to drawdown on the available funds. As such, the forecasts are dependent on the required funding as set out in the loan agreement with the external lenders. The ultimate shareholder, Marathon ECO IV SCA SICAV-RAIF has indicated its intention to continue to make available such funds as are needed by the Group for the period covered by the forecasts. As with any Group placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

On this basis, the directors have a reasonable expectation that they will have adequate liquidity to allow the Group and Company to continue their activities for a period of not less than 12 months from the date of approval of these financial statements. This is in part due to strong relationships with external debt providers and the ongoing support of its shareholder.

The directors acknowledge however that the uncertain trading environment caused by COVID-19 and its impact on profitability and cash generation as outlined above but the subsequent sale and new bank facilities has removed the significant doubt over the Group's and Company's ability to continue as a going concern. Having assessed these matters, the directors continue to have a reasonable expectation that the Group and Company will have adequate liquidity to continue their activities for the foreseeable future and ensure all debts can be discharged as they fall due. Accordingly, they continue to adopt the going concern basis in preparing the Group and Company financial statements.

By order of the board

C. A. Kula
Director

09th June 2022

Queens Court
9-17 Eastern Road, Romford
Essex
RM1 3NG

Company registered number: 09917446

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

The directors are responsible for preparing the Strategic Report, the Directors' Report and the group and parent company financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare group and parent company financial statements for each financial year. Under that law they have elected to prepare the group financial statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and applicable law and have elected to prepare the parent company financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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 group and parent company and of their profit or loss for that period. In preparing each of the group and parent company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant, reliable and prudent;
- for the group financial statements, state whether they have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006;
- for the parent company financial statements, state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the group and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the group or the parent company or to cease operations or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent company's transactions and disclose with reasonable accuracy at any time the financial position of the parent company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

KPMG

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FELBRIDGE HOLDINGS LIMITED

Opinion

We have audited the financial statements of Felbridge Holdings Limited ("the company") for the year ended 31 March 2021 which comprise the Consolidated Statement of Profit and Loss and Other Comprehensive Income, the Consolidated Balance Sheet, the Consolidated Statement of Changes in Equity, the Consolidated Cash Flow Statement, the Company Balance Sheet, the Company Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2021 and of the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006;
- the parent company financial statements have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the group or the company or to cease their operations, and as they have concluded that the group and the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the group's business model and analysed how those risks might affect the group and company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the group or the company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the group or the company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors as to the Group's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that Group management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because there are limited judgements and revenue is simple in nature and comprises of high-volume low value items, therefore reducing the opportunity and incentive to commit fraud.

We did not identify any additional fraud risks.

We also performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included:
    - Journal entries made to property with unusual corresponding entries
    - Journal entries made to revenue and cash with unexpected corresponding entries

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation, taxation legislation and the Coronavirus Job Retention Scheme legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, data protection laws, employment law, and certain aspects of company legislation recognising the nature of the Group's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

For the non-compliance matter discussed in note 20 we assessed the disclosures against our understanding from inquiries with management and correspondence between the Group and their legal advisors.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Strategic report and directors' report

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

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- adequate accounting records have not been kept 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.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 8, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the group and 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 they 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

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

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Chrissy Douka (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL
Date: 14th June 2022

Consolidated Statement of Profit and Loss and Other Comprehensive Income

For year ended 31 March 2021

	Note	Year end 31 March 2021 £000	Year end 31 March 2020 £000
Revenue	4	806	4,534
Cost of sales		(998)	(2,647)
Gross profit		**(192)**	**1,887**
Administrative expenses	5	(81)	(51)
Other income	6	595	-
Other operating expenses	5	(1,599)	(2,329)
Revaluation of property, plant and equipment	9	(962)	(4,495)
Operating loss		**(2,239)**	**(4,988)**
Financial expenses	7	(532)	(514)
Loss before tax		**(2,771)**	**(5,502)**
Taxation	8	-	-
Loss for the year		**(2,771)**	**(5,502)**
Other comprehensive income			
Revaluation of property, plant and equipment		-	684
Total comprehensive income for the year		**(2,771)**	**(4,818)**

The accompanying notes on pages 16 to 34 form an integral part of these financial statements.

All items relate to continuing operations.

Approved by the board and authorised for issue on 09th June 2022.

Company registered number: 09917446

Consolidated Balance Sheet

At 31 March 2021

	Note	31 March 2021	31 March 2020
		£000	**£000**
Non-current assets			
Property, plant, and equipment	*9*	8,519	9,998
		8,519	**9,998**
Current assets			
Inventories	*10*	21	36
Trade and other receivables	*11*	101	225
Cash and cash equivalents	*12*	104	852
		226	**1,113**
Total assets		**8,745**	**11,111**
Current liabilities			
Trade and other payables	*13*	(1,939)	(1,813)
Interest bearing loans and borrowings	*14*	(10,944)	(10,665)
Total liabilities		**(12,883)**	**(12,478)**
Net assets/(liabilities)		**(4,138)**	**(1,367)**
Equity			
Share capital	*15*	-	-
Other reserves	*15*	10,000	10,000
Revaluation reserve		-	-
Profit and loss account		(14,138)	(11,367)
Total equity		**(4,138)**	**(1,367)**

The accompanying notes on pages 16 to 34 form an integral part of these financial statements.

These financial statements were approved by the board of directors on 09th June 2022 and were signed on its behalf by:

C.A. Kula
Director

09th June 2022

Queens Court
9-17 Eastern Road, Romford
Essex
RM1 3NG

Company registered number: 09917446

Consolidated Statement of Changes in Equity

	Called up share capital £000	Other reserves £000	Revaluation reserve £000	Retained earnings £000	Total equity £000
Balance at 1 April 2020	-	10,000	-	(11,367)	(1,367)
Loss for the year	-	-	-	(2,771)	(2,771)
Revaluation of property, plant and equipment	-	-	-	-	-
Total comprehensive loss for the year	**-**	**-**	**-**	**(2,771)**	**(2,771)**
Capital contribution	-	-	-	-	-
Balance at 31 March 2021	**-**	**10,000**	**-**	**(14,138)**	**(4,138)**

	Called up share capital £000	Capital contribution account £000	Revaluation reserve £000	Retained earnings £000	Total equity £000
Balance at 1 April 2019	-	10,000	(684)	(5,865)	3,451
Loss for the year	-	-	-	(5,502)	(5,502)
Revaluation of property, plant and equipment	-	-	684	-	684
Total comprehensive loss for the year	**-**	**-**	**684**	**(5,502)**	**(4,818)**
Capital contribution	-	-	-	-	-
Balance at 31 March 2020	**-**	**10,000**	**-**	**(11,367)**	**(1,367)**

The accompanying notes on pages 16 to 34 form an integral part of these financial statements.

Consolidated Cash Flow Statement

For year ended 31 March 2021

	Note	Year end 31 March 2021 £000	Year end 31 March 2020 £000
Cash flows from operating activities			
Loss before tax		**(2,771)**	**(5,502)**
Adjustments for:			
(Decrease) / increase in trade and other receivables	*11*	124	(126)
Depreciation	*9*	526	614
Revaluation of PPE	*9*	962	4,495
Increase in trade and other payables	*13*	(187)	234
Decrease / (increase) of inventory	*10*	15	(3)
Interest expense	*7*	532	514
Net cash from operating activities		**(799)**	**226**
Cash flows from investing activities			
Additions of property plant and equipment	*9*	(9)	(90)
Net cash from investing activities		**(9)**	**(90)**
Cash flows from financing activities			
Proceeds from parent	*14*	214	-
Repayment of borrowings from parent		-	-
Proceeds from loan associated company		60	-
Interest paid		(214)	-
Net cash from financing activities		**60**	**-**
Net increase / (decrease) in cash and cash equivalents		(748)	136
Cash and cash equivalents at 1 April		852	716
Cash and cash equivalents at 31 March		**104**	**852**

The accompanying notes on pages 16 to 34 form an integral part of these financial statements.

Notes
(forming part of the financial statements)

1 Significant accounting policies

1.1 Statement of compliance

Felbridge Holdings Limited (the "Company") is a company incorporated and domiciled in England, United Kingdom. The group financial statements consolidate those of the Company and its subsidiary (together referred to as the "Group").

The group financial statements have been prepared and approved by the directors in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 ("Adopted IFRSs"). The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these group financial statements. The company has elected to prepare its parent company financial statements in accordance with FRS102. These are presented on pages 35 to 42.

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 19.

1.2 Measurement convention

The financial statements are prepared on the historical cost basis except that the following assets and liabilities are stated at their fair value: property, plant and equipment.

Historic 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 and 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, except for share-based payment transactions that are within the scope of IFRS 2, leasing transactions that are within the scope of IFRS 16, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 or value in use in IAS 36.

1.3 Going concern

The Group's and Company's business activities, together with the factors likely to affect future development, performance and position are set out in the strategic report.

The Group's activities are the operation of a hotel. As a result, the ability of the Group to continue as a going concern is based on the ability of the trading entity within the Group to continue as a going concern.

The hotel operated by the Group closed to the general public in late March 2020 due to the coronavirus ("COVID-19") pandemic and re-opened in July 2020. Further lockdowns and restrictions were seen in late 2020 and early 2021 but the hotel remained open throughout to support key workers. This closure and follow-on restrictions have had a significant negative impact on revenue, profitability, cash flows, valuations and reserves, however the directors have availed of government assistance and other self-help measures, where possible, to manage liquidity in the immediate short term.

The Group's ultimate parent was previously owned by a private equity group, the private equity owners decided to sell the Group in 2020, which completed in late May 2021. The new directors prepared cashflow forecasts reflecting their best estimate of trading activity for the cross-collateralised Group for the period up to June 2023, based on the significant improvement in the trading environment since the restrictions have been eased in Summer 2021, which indicate that the Group is expected to have sufficient funds available to meet all operating and debt service commitments over that period. The Group is forecasting average occupancy for the 12 months to June 2023 of 79% which is prudent in comparison to average occupancy achieved for the 12 months to March 2020 (i.e. pre-COVID-19). The directors acknowledge that their forecasts and the related funding requirements include several critical assumptions and are, in particular, highly sensitive to assumptions about market demand as the Group operates with the continuing fall out of COVID-19.

Notes *(continued)*

1.3 Going concern (continued)

The Group benefited post acquisition from a 5-year facility with its external lenders totalling £143,250,000. As part of these arrangements, the Group's external lenders have agreed to not test the covenants for the initial three years up to 15 August 2024. As part of the agreement, Bryant Park Hospitality S.A.R.L., the immediate parent, is required to inject 35% of the required funding before the Group is able to drawdown on the available funds. As such, the forecasts are dependent on the required funding as set out in the loan agreement with the external lenders. The ultimate shareholder, Marathon ECO IV SCA SICAV-RAIF has indicated its intention to continue to make available such funds as are needed by the Group for the period covered by the forecasts. As with any Group placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

On this basis, the directors have a reasonable expectation that they will have adequate liquidity to allow the Group and Company to continue their activities for a period of not less than 12 months from the date of approval of these financial statements. This is in part due to strong relationships with external debt providers and the ongoing support of its shareholder.

The directors acknowledge however that the uncertain trading environment caused by COVID-19 and its impact on profitability and cash generation as outlined above but the subsequent sale and new bank facilities has removed the significant doubt over the Group's and Company's ability to continue as a going concern. Having assessed these matters, the directors continue to have a reasonable expectation that the Group and Company will have adequate liquidity to continue their activities for the foreseeable future and ensure all debts can be discharged as they fall due. Accordingly, they continue to adopt the going concern basis in preparing the Group and Company financial statements.

Notes *(continued)*

1 Accounting policies *(continued)*

1.4 Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiary undertakings.

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 generally measured at fair value, as are the identifiable net assets acquired.

For acquisitions, the Group measures goodwill at the acquisition date as:

- the fair value of consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- the fair value of the existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.
Any goodwill that arises is tested annually for impairment.

Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.
When acquiring a business, the Group is required to bring acquired assets and liabilities on to the consolidated statement of financial position at their fair value, the determination of which requires a significant degree of estimation and judgement.

Acquisitions may also result in intangible benefits being brought into the Group, some of which may qualify for separate recognition as intangible assets while other such benefits do not meet the recognition requirements of IFRS and therefore form part of goodwill.

Judgement is required in the assessment and valuation of any intangible assets, including assumptions on the timing and amount of future cash flows generated by the assets and the selection of an appropriate discount rate.

Depending on the nature of the assets and liabilities acquired, determined provisional fair values may be associated with uncertainty and possibly adjusted subsequently as permitted by IFRS 3 Business Combinations.

When an acquisition does not represent a business, it is accounted for as a purchase of a group of assets and liabilities, not as a business combination. The cost of the acquisition is allocated to the assets and liabilities acquired based on their relative fair values, and no goodwill is recognised.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated.

Notes *(continued)*

1 Accounting policies *(continued)*

1.6 Current versus non-current classification

The Group presents assets and liabilities in statement of financial position based on current/non-current classification. An asset as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period;

Or

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.
A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period;

Or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

1.7 Revenue recognition

Hotel Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

The specific recognition criteria described below must also be met before revenue is recognised.

1.8 Taxes

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

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

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. For investment property that is measured at fair value deferred tax is provided at the rate applicable to the sale of the property except for that part of the property that is depreciable and the Group's business model is to consume substantially all of the value through use. In the latter case the tax rate applicable to income is used.

Notes *(continued)*

1 Accounting policies *(continued)*

1.9 Cash dividend and non-cash distribution to equity holders of the parent

The Company recognises a liability to make cash or non-cash distributions to equity holders of the parent when the distribution is authorised, and the distribution is no longer at the discretion of the Company. As per the corporate laws in the United Kingdom, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

1.10 Property, plant, and equipment

Property, plant, and equipment are initially recognised at cost.

Fixtures and fittings are subsequently measured using the cost model and land and buildings are subsequently measured using the revaluation model under IAS 16.

Under the revaluation model, valuations are kept sufficiently up to date such that the carrying amount of the asset does not differ materially from its fair value at the reporting date.

Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of property, plant and equipment.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. Land is not depreciated. The estimated useful lives are as follows:

- buildings 50 years
- fixtures and fittings 5 years

Depreciation methods, useful lives and residual values are reviewed at each balance sheet date.

1.11 Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables.

Trade and other receivables
Trade and other receivables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Trade and other payables
Trade and other payables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Cash and cash equivalents
Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

Interest-bearing borrowings
Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

1.12 Impairment excluding property, plant and equipment and deferred tax assets

Financial assets (including receivables)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Notes *(continued)*

1 Accounting policies *(continued)*

1.12 Impairment excluding property, plant and equipment and deferred tax assets (continued)

Non-financial assets

The carrying amounts of the Group's non-financial assets, other than investment property and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. 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 the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to cash-generating units, or ("CGU"). Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment is tested reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a *pro rata* basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

1.13 Provisions

A provision is recognised in the balance sheet when the Group has a present legal or constructive obligation as a result of a past event, that can be reliably measured, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

1.14 Expenses

Financing income and expenses

Financing expenses comprise interest payable, and finance leases recognised in profit or loss using the effective interest method, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the income statement. Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial time to be prepared for use, are capitalised as part of the cost of that asset. Financing income comprises of interest receivable on funds invested, dividend income, and net foreign exchange gains.

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

Borrowing costs

Borrowing costs are recognised as an expense when incurred unless they are qualifying assets under IAS 23 when they would be capitalized.

Notes *(continued)*

1 Accounting policies *(continued)*

1.15 Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognized as an expense in the income statement in the periods during which services are rendered by employees.

Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

1.16 Coronavirus Job Retention Scheme (CJRS) grants

Coronavirus Job Retention Scheme (CJRS) grants were received during the year in respect of furloughed staff for the purpose of providing immediate financial support to the company as a result of Covid-19 pandemic. These grants are not recognised until there is reasonable assurance that the company has complied with the conditions attaching to them and that the grants will be received. CJRS grants are recognised in profit or loss in the same period in which the expense was incurred and are recorded as other income.

2 Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is the valuation of PPE. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

3 Investments in subsidiaries

The Company has the following investments in subsidiaries through ordinary shares:

Company	Principal place of business	Country of Incorporation	Type of shares	Ownership 31 March 2021	Ownership 31 March 2020
New Century (East Grinstead) Ltd	United Kingdom	United Kingdom	Ordinary	100%	100%

Notes *(continued)*

4 Turnover

Turnover, which is stated in the profit and loss account net of value added tax, represents revenue earned by the subsidiary, New Century (East Grinstead) Limited. The turnover is attributable to rooms, food and beverage, club and spa and other hotel income within the United Kingdom.

	31 March 2021	31 March 2020
	£'000	£'000
Room sales	588	2,081
Food and beverages	203	2,070
Club and spa	9	354
Other	6	29
	806	4,534

5 Expenses and auditor's remuneration

Included in the profit and loss account are the following:

	31 March 2021	31 March 2020
	£'000	£'000
Repairs and maintenance	(169)	(227)
Utilities	(136)	(253)
Asset management fees	(8)	(41)
Depreciation	(526)	(614)
Insurance	(39)	(39)
Property rates	-	(134)
Auditor's remuneration	(36)	(35)
Professional fees	(45)	(11)

6 Wages and salaries

The average number of persons employed by the Group (including directors) during the year, analysed by category, was as follows:

	31 March 2021	31 March 2020
	£'000	£'000
Wages and salaries	(1,128)	(1,508)
Social security costs	(92)	(106)
Contributions to defined contribution plans	(17)	(24)
	(1,237)	(1,638)

In the UK, the Government has provided funding towards the salary costs of employees who have been 'furloughed' through the Coronavirus Job Retention Scheme. The scheme rules remain complex to interpret and apply to the claims. This funding meets the definition of a government grant, and a total of £594,599 has been recorded within other income.

Notes *(continued)*

6. Wages and Salaries (continued)

	31 March 2021	31 March 2020
Administrative staff	8	14
Operations staff	68	78
	76	**92**

During the year the Company's allocation of the directors' remuneration amounted to £Nil (2020: £Nil). In the current year, directors' remuneration was borne by the Cerberus Group, the ultimate parent at the balance sheet date. The amount of directors' remuneration borne by the ultimate parent was £nil.

7 Financial expenses

	31 March 2021	31 March 2020
	£'000	£'000
Interest expense on loan from shareholder	(219)	(202)
Interest expense on loan from affiliated company	(313)	(312)
	(532)	**(514)**

Notes *(continued)*

8 Taxation

	31 March 2021 £000	31 March 2020 £000
Current tax expense	-	-
Deferred tax expense	-	-
	-	-

Reconciliation of effective tax rate

	31 March 2021 £000	31 March 2020 £000
Loss for the year	(2,771)	(5,502)
Total tax expense	-	-
Loss excluding taxation	(2,771)	(5,502)
Tax using the UK corporation tax rate of 19% (2020: 19%)	527	1,045
Deferred tax not recognised	(281)	-
Tax exempt negative goodwill	-	-
Group-relief surrendered	-	-
Non-deductible interest expenses	-	(59)
Non-deductible depreciation	-	(117)
Non-deductible expenses	(246)	(869)
Capital allowances	-	-
Total tax expense	-	-

A UK corporation rate of 19% (effective 1 April 2020) was substantively enacted on 17 March 2020, reversing the previously enacted reduction in the rate from 19% to 17%. In the 3 March 2021 budget, it was announced that the UK tax rate will increase to 25% from 1 April 2023. This will have a consequential effect on the Group's future tax charge. The deferred tax asset / (liability) at 31 March 2021 has been calculated at 19% (2020: 19%).

Notes *(continued)*

9 Property, plant, and equipment

	Freehold land and buildings £000	Fixtures and fittings £000	Total £000
Cost or revaluation			
Balance at 1 April 2020	9,611	8,711	18,322
Additions	-	9	9
Revaluation	(962)	-	(962)
Balance at 31 March 2021	**8,649**	**8,720**	**17,369**
Depreciation			
Balance at 1 April 2020	(640)	(7,684)	(8,324)
Charge for the year	(109)	(417)	(526)
Balance at 31 March 2021	**(749)**	**(8,101)**	**(8,850)**
Net book value			
At 1 April 2020	8,971	1,027	9,998
At 31 March 2021	**7,900**	**619**	**8,519**

	Freehold land and buildings £000	Fixtures and fittings £000	Total £000
Cost or revaluation			
Balance at 1 April 2019	13,422	8,621	22,043
Additions	-	90	90
Revaluation	(3,811)	-	(3,811)
Balance at 31 March 2020	**9,611**	**8,711**	**18,322**
Depreciation			
Balance at 1 April 2019	(472)	(7,239)	(7,711)
Charge for the year	(168)	(445)	(613)
Balance at 31 March 2020	**(640)**	**(7,684)**	**(8,324)**
Net book value			
At 1 April 2019	12,950	1,382	14,332
At 31 March 2020	**8,971**	**1,027**	**9,998**

Fixture and fittings

Fixtures and fittings are depreciated in line with the cost model as noted in IAS 16, using a depreciation rate of 20% per annum.

Fair value

The fair value of land and buildings was determined by external, independent property valuer, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The independent valuer provides the fair value of the Group's land and buildings every year.

Notes *(continued)*

9 Property, plant, and equipment (continued)

Valuation technique and significant unobservable inputs
The Group's freehold land and building comprises a total of one commercial property, situated in the United Kingdom. In the last fiscal period, the Company did not acquire or sell any properties.

The fair value of the property has been determined in accordance with IFRS 13. IFRS 13.9 defined fair value as the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. The above definition concurs with that of Market Value defined in the RICS Valuation – Professional Standards 8th Edition published by the Royal institution of Chartered Surveyors and is also generally consistent with the definition of Fair Value as adopted by the International Accounting Standard Board (IASB).

The appraisals were performed by Savills. The valuation report is issued on 19 August 2021, with valuation date 31 March 2021. Savills is an accredited independent appraiser with a recognised and relevant professional qualification and with recent experience in the location and category of the investment properties being valued.

In order to arrive at the fair value of the property, the external appraiser applied their market knowledge and professional judgement and not only relied on comparable historical transactions.

The Group's finance department reviews the appraisals performed by the independent appraisers for financial reporting purposes. Discussions of appraisal processes are held between Savills and the Company. At each financial year end the finance department: (i) verifies all major inputs to the independent appraisals; (ii) assesses property valuation movements when compared to the prior year valuation report and/or (iii) holds discussions with the independent appraiser.

There are no current prices in an active market available for the investment properties being valued. Therefore the fair value measurement is based on a Discounted Cash Flow Model (DCF). The valuations were performed on an item-by-item basis and not on a portfolio basis. There were not any highest and best use valuations. Savills used a discount rate of 8.75%.

Impact of Covid-19 on the valuation of the investment property

The outbreak of COVID-19, declared by the World Health Organisation as a "Global Pandemic" on the 11th March 2020, has and continues to impact many aspects of daily life and the global economy – with some real estate markets having experienced lower levels of transactional activity and liquidity. Travel, movement and operational restrictions have been implemented by many countries. In some cases, "lockdowns" have been applied to varying degrees in response to further "waves" of COVID-19; although these may imply a new stage of the crisis, they are not unprecedented in the same way as the initial impact.

Savills included a market uncertainty explanatory note in the valuation report due to the outbreak of COVID-19. The pandemic and the measures taken to tackle COVID-19 continue to affect economies and real estate markets globally. Nevertheless, some property markets have started to function again, with transaction volumes and other relevant evidence at levels where an adequate quantum of market evidence exists upon which to base opinions of value. Accordingly, the Savills valuation has not been reported as being subject to 'material valuation uncertainty'. According to the valuation report, this explanatory note has been included to ensure transparency and to provide further insight as to the market context under which the valuation opinion was prepared.

Notes *(continued)*

10 Inventories

	31 March 2021	31 March 2020
	£000	£000
Finished goods	21	36
	21	**36**

11 Trade and other receivables

	31 March 2021	31 March 2020
	£000	£000
Other receivables	29	69
Receivables from affiliated entities	16	102
Prepayments	56	54
	101	**225**

12 Cash and cash equivalents

	31 March 2021	31 March 2020
	£000	£000
Cash and cash equivalents	104	852
Cash and cash equivalents per cash flow statement	**104**	**852**

13 Trade and other payables

	31 March 2021	31 March 2020
	£000	£000
Trade payables	(249)	(666)
Accruals	(425)	(183)
Payable to affiliated entity	(1,250)	(737)
Other payables	(1)	(7)
VAT payable	(14)	(220)
	(1,939)	**(1,813)**

No amounts included within trade and other payables are expected to be settled in more than 12 months. The Group's exposure to liquidity risk related to trade and other payables is disclosed in the note on financial instruments (note 16). The estimated fair values of payables are the discounted amount of the estimated future cash outflows and approximate their carrying amounts. Expected cash flows are discounted at current market rates to determine fair values.

Notes *(continued)*

14 Interest-bearing loans and borrowings

This note provides information about the contractual terms of the Group's interest bearings loans and borrowings falling due within one year (2020: due within one year), which are measured at amortised cost. For more information about the Group's exposure to liquidity risk related to trade and other payables is disclosed in the note on financial instruments (note 16).

	31 March 2021 £000	31 March 2020 £000
Loan from parent	(2,409)	(2,190)
Loan from affiliated company	(8,535)	(8,475)
	(10,944)	**(10,665)**

Terms and debt maturity

	Currency	Nominal interest rate	Year of maturity	31 March 2021 £000
Loan from parent	GBP	10%	2020	(2,409)
Loan from affiliated company	GBP	3.1% Margin + 3 month Libor	2020	(8,535)

On the 01 June 2016 a loan was provided from an affiliated company, HICP Holdings Limited. The loan was provided for working capital purposes. The loan carries a 3.1% Margin + 3 month Libor, which was 3.62% at 31 March 2021. The maturity date for the loan was 15 December 2020. However, as at 31 March 2021, the loan has not yet been fulfilled and is still in place.

On 08 December 2016 a loan was provided from the parent company at the balance sheet date Promontoria Holding 132 B.V. The loan was provided for working capital purposes. The loan carries a 10% nominal interest rate. The maturity date for the loan was December 2020, however, as at 31 March 2021, the loan has not yet been fulfilled and is still in place. As part of the post year end acquisition, the loan has been settled in full by Marathon.

15 Capital and reserves

Allotted, called up and fully paid

	Ordinary shares 31 March 2021 Number
On incorporation at 15 December 2015 and at 31 March 2021	1

On 15 December 2015 the Company issued 1 ordinary share for £1 each at par value. The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares have a par value of £1.

Other reserves

	31 March 2021 £000	31 March 2020 £000
Capital contribution	10,000	10,000
	10,000	**10,000**

Notes *(continued)*

16 Financial instruments

Interest-bearing loans and borrowings

	Currency	Nominal interest rate	Date of Maturity	Face Value
				31 March 2021
				£000
Loan from parent	GBP	10%	2020	(2,409)
Loan from affiliated company	GBP	3.1% Margin + 3-month Libor	2020	(8,535)
Total				**(10,944)**

	Carrying amount	Fair value
	£000	**£000**
Interest-bearing loans and borrowings	(10,944)	(10,944)
Total	**(10,944)**	**(10,944)**

Management assessed that cash and short-term deposits, trade receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

- Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the Group based on parameters such as interest rates, specific country risk factors, and individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected losses of these receivables; and
- The fair value of unquoted instruments, loans from banks and other financial liabilities, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities; and
- The fair values of the Group's interest-bearing borrowings and loans are determined by using the DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at 31 March 2021 was assessed to be insignificant.

Financial risk management objectives and policies

The Group's principal financial liabilities, other than derivatives, comprise loans and borrowings, and trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations and to provide guarantees to support its operations. The Group's principal financial assets include trade and other receivables, and cash and short-term deposits that derive directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Notes *(continued)*

16 Financial Instruments *(continued)*

Overview

The Group has exposure to the following risks arising from financial instruments which are being monitored on a continuous basis:

- Credit risk;
- Liquidity risk; and
- Market risk.

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers and deposits with banks and financial institutions.

Exposure to credit risk
The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial asset.

Receivables
Revenue is attributable to transactions in the ordinary course of business. Credit risk is managed by review of the customers' financial operations. No impairment loss has been recognised.

Cash and cash equivalents
The Group held cash and cash equivalents of £104,000 at 31 March 2021 (2020: £852,000), which represents its maximum credit exposure on these assets. The cash and cash equivalents are held with reputable bank and financial institution counterparties located in the United Kingdom. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through potential counterparty failure.

Notes *(continued)*

16 Financial Instruments *(continued)*

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. There is permanent monitoring and planning by the cash management department to ensure the Group has sufficient funds to pay its liabilities for a certain period.

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

31 March 2021

	Carrying amount	Contractual cash flows	6 months or less	6 - 12 months	1 - 2 years	2 - 5 years	> 5 years
	£000	£000	£000	£000	£000	£000	£000
Non-derivative financial liabilities							
Loan from parent	(2,409)	(2,409)	-	(2,409)	-	-	-
Loan from affiliated company	(8,535)	(8,535)	-	(8,535)	-	-	-
Trade payables and accruals	(1,925)	(1,925)	(1,925)	-	-	-	-
	(12,869)	**(12,869)**	**(1,925)**	**(10,944)**	**-**	**-**	**-**

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

31 March 2020

	Carrying amount	Contractual cash flows	6 months or less	6 - 12 months	1 - 2 years	2 - 5 years	> 5 years
	£000	£000	£000	£000	£000	£000	£000
Non-derivative financial liabilities							
Loan from parent	(2,190)	(2,190)	-	(2,190)	-	-	-
Loan from affiliated company	(8,475)	(8,475)	-	(8,475)	-	-	-
Trade payables and accruals	(1,813)	(1,813)	(1,813)	-	-	-	-
	(12,478)	**(12,478)**	**(1,813)**	**(10,665)**	**-**	**-**	**-**

Notes *(continued)*

16 Financial Instruments *(continued)*

Market risk

Market risk is the risk that the fair values of financial instruments will fluctuate because of changes in market prices. The financial instruments held by the Group that are affected by market risk are principally the derivative financial instruments.

Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The loan from affiliated company has a fixed interest rate.

Capital management

Capital consists of ordinary shares and retained earnings of the Group. The Board of Managing Directors monitors the return on capital as well as the level of dividends to ordinary shareholders.

17 Related parties

Identity of related parties with which the Group has transacted

The Group acquired a loan from a related party during the year to partly repay the loan from the shareholder and for the expenses of the renovation of the hotel. Refer to note 14 for details on the interest-bearing loan.

	Receivables outstanding	**Payables outstanding**	**Receivables outstanding**	**Payables outstanding**
	31 March 2021	**31 March 2021**	**31 March 2020**	**31 March 2020**
	£000	**£000**	**£000**	**£000**
Receivables due from affiliated entities	16	-	102	-
Loan from affiliated company (including interest)	-	(9,582)	-	(8,475)
Loan from parent	-	(2,409)	-	(2,190)
Payable to affiliated entity	-	(203)	-	(737))
	16	**(12,194)**	**102**	**(11,402)**

There are no securities obtained or granted in respect of the outstanding balances with related parties.

	Income in the period ended	**Expenses in the period ended**	**Income in the period ended**	**Expenses in the period ended**
	31 March 2021	**31 March 2021**	**31 March 2020**	**31 March 2020**
	£000	**£000**	**£000**	**£000**
Interest expense on loan from shareholder	-	(219)	-	(202)
Interest expense on loan from affiliated company	-	(313)	-	(312)
	-	**(532)**	**-**	**(514)**

Notes *(continued)*

18 Ultimate parent company of larger group

Felbridge Holdings Limited is a consolidated group owning 100% of New Century (East Grinstead) Limited. Ultimately the company is owned by investment funds affiliated with the Cerberus Group. The Group is a subsidiary undertaking of Promontoria Holding 132 B.V. which is the parent company incorporated in the Netherlands. Subsequent to the year end, from late May 2021 onwards the company is now ultimately owned by investment funds affiliated with the Marathon Group.

19 Accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events, which are believed to be reasonable under the circumstances. PPE is held to earn rental income and for capital appreciation. PPE is stated at fair value and are determined by a third-party valuation.

20 Contingencies

The Group is subject to various legislations including those introduced in relation to the Coronavirus pandemic. Due to the post year-end sale of the Group to new shareholders and during the handover process it was identified that not all required documentation was retained by all locations. Whilst the directors acknowledge that this gives rise to a risk, they are confident that the non-compliance issues are of a technical nature.

21 Subsequent events

The owners decided to sell the wider Group in late 2020, which completed in late May 2021.

The new owners Bryant Park Hospitality SARL (Part of the Marathon Group), acquired the Group with the intension to invest in the portfolio, including up-branding several the Hotels and ensuring the hotels are in the prime condition to maximise from the economic recovery post COVID-19.

The ownership change allowed the Group to be restructured allowing for the overall financial position to be significantly improved. The Group now benefits post acquisition from a 5-year facility with its external lenders, as part of these arrangements, the Group's external lenders have agreed to not test the covenants for the initial years.

Company Balance Sheet
At 31 March 2021

	Note	31 March 2021 £000	31 March 2020 £000
Current assets			
Debtors	*25*	3,575	3,434
Cash at bank and in hand		41	48
		3,616	**3,482**
Creditors amounts falling due within one year	*26*	(2,509)	(2,283)
Total assets less current liabilities		**1,107**	**1,199**
Net assets		**1,107**	**1,199**
Equity			
Called up share capital		-	-
Other reserves	*27*	1,000	1,000
Profit and loss account		107	199
Total equity		**1,107**	**1,199**

These financial statements were approved by the board of directors on 09th June 2022 and were signed on its behalf by:

C.A. Kula
Director

09th June 2022

Company registered number: 09917446

The accompanying notes on pages 37 to 42 form an integral part of these financial statements.

Company Statement of Changes in Equity

	Called up share capital	Profit and loss account	Other reserves	Total equity
	£000	£000	£000	£000
Balance at 1 April 2020	-	199	1,000	1,199
Loss for the year	-	(92)	-	(92)
Total comprehensive income for the year	-	**(92)**	-	**(92)**
Balance at 31 March 2021	-	**107**	**1,000**	**1,107**

	Called up share capital	Profit and loss account	Capital contribution account	Total equity
	£000	£000	£000	£000
Balance at 1 April 2019	-	279	1,000	1,279
Loss for the year	-	(80)	-	(80)
Total comprehensive income for the year	-	**(80)**	-	**(80)**
Balance at 31 March 2020	-	**199**	**1,000**	**1,199**

The accompanying notes on pages 37 to 42 form an integral part of these financial statements.

Notes *(continued)*

22 Accounting policies

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

Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland (*"FRS 102"*). The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

Under section s408 of the Companies Act 2006 the Company is exempt for the requirement to present its own profit and loss account.

In these financial statements, the Company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

Measurement convention

The financial statements are prepared on the historical cost basis, except for derivative financial instruments which are recognised at fair value.

Classification of financial instruments issued by the Company

In accordance with FRS 102.22, financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

(a) they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company; and

(b) where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Basic financial instruments

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Notes *(continued)*

22 Accounting policies *(continued)*

Investments in subsidiaries

These are separate financial statements of the company. Investments in subsidiaries are carried at cost less impairment.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

Impairment excluding deferred tax assets

Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its' carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment, impairment is calculated as the difference between its' carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Non-financial assets

The carrying amounts of the Company's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. 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 the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The goodwill acquired in a business combination, for the purpose of impairment testing is allocated to cash-generating units, or ("CGU") that are expected to benefit from the synergies of the combination. For the purpose of goodwill impairment testing, if goodwill cannot be allocated to individual CGUs or groups of CGUs on a non-arbitrary basis, the impairment of goodwill is determined using the recoverable amount of the acquired entity in its entirety, or if it has been integrated then the entire entity into which it has been integrated.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

An impairment loss is reversed if and only if the reasons for the impairment have ceased to apply.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Notes *(continued)*

22 Accounting policies *(continued)*

Interest receivable and Interest payable

Interest payable and similar charges include interest payable, finance charges on shares classified as liabilities and finance leases recognised in profit or loss using the effective interest method, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the profit and loss account.

Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

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

Taxation

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

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

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries, to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is provided in respect of the additional tax that will be paid or avoided on differences between the amount at which an asset (other than goodwill) or liability is recognised in a business combination and the corresponding amount that can be deducted or assessed for tax. Goodwill is adjusted by the amount of such deferred tax.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. For non-depreciable assets that are measured using the revaluation model, or investment property that is measured at fair value, deferred tax is provided at the rates and allowances applicable to the sale of the asset/property, except when the investment property has a limited useful life and the objective of the company's business model is to consume substantially all of the value through use. In the latter case the tax rate that is expected to apply to the reversal of the related difference is used. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that is it probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

23 Directors' remuneration

No amounts were paid by the company for directors' remuneration during the year and the services received were not material (2020: £Nil).

Notes *(continued)*

24 Investment subsidiary

The value of the investment in the subsidiary is £1.

The Company has the following investments in subsidiaries:

Company	Aggregate of capital and reserves	Loss for the year	Country of incorporation
	£000	£000	
New Century (East Grinstead) Ltd	(5,245)	(1,719)	United Kingdom

25 Debtors

	31 March 2021	31 March 2020
	£'000	£'000
Other debtors	5	5
Amounts owed by subsidiary	3,570	3,429
	3,575	**3,434**
Due within one year	3,575	3,434
Due after more than one year	-	-
	3,575	**3,434**

On 29 December 2015 a loan was provided to the subsidiary company, New Century East Limited. The loan was provided for working capital purposes. The loan carries a 10% nominal interest rate. The maturity date for the loan was December 2020, however, as at 31 March 2021, the loan has not yet been fulfilled and is still in place. As part of the post year end acquisition, it is expected that the loan will be settled and renewed.

Notes *(continued)*

26 Creditors: amounts falling due within one year

	31 March 2021	31 March 2020
	£'000	£'000
Creditors	(86)	(85)
Accruals	(14)	(8)
Loan from parent company	(2,409)	(2,190)
	(2,509)	**(2,283)**

Terms and debt maturity

	Currency	Nominal interest rate	Year of maturity	31 March 2021
				£000
Loan from parent	GBP	10%	2020	(2,409)
				(2,409)

On 08 December 2016 a loan was provided from the parent company at the balance sheet date Promontoria Holding 132 B.V. The loan was provided for working capital purposes. The loan carries a 10% nominal interest rate. The maturity date for the loan was December 2020, however, as at 31 March 2021, the loan has not yet been fulfilled and is still in place. As part of the post year end acquisition, the loan has been settled in full by Marathon.

No amounts included within trade and other payables are expected to be settled in more than 12 months.

27 Capital and reserves

Allotted, called up and fully paid

	Ordinary shares 31 March 2021 Number
On incorporation at 15 December 2015 and at 31 March 2021	1

On 15 December 2015 the Company issued 1 ordinary share for £1 each at par value. The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares have a par value of £1.

Other reserves

	31 March 2021	31 March 2020
	£000	£000
Capital contribution	1,000	1,000
	1,000	**1,000**

Notes *(continued)*

28 Related party disclosures

Identity of related parties with which the Company has transacted

The Company acquired a loan from a shareholder for the financing of the acquisition of property by an associated company, refer to note 26 for details on the interest-bearing loan. Further the Company provided a loan to its subsidiary, refer to note 25 for details on the loan.

	Receivables outstanding	**Payables outstanding**
	31 March 2021	**31 March 2021**
	£000	**£000**
Loan receivable from subsidiary	3,570	-
Loan from parent	-	(2,409)
	3,570	**(2,409)**

	Income in the year ended	**Expenses in the year ended**
	31 March 2021	**31 March 2021**
	£000	**£000**
Interest expense on loan from parent	-	(219)
Interest income on loan to subsidiary	141	-
	141	**(219)**

	Receivables outstanding	**Payables outstanding**
	31 March 2020	**31 March 2020**
	£000	**£000**
Loan receivable from subsidiary	3,429	-
Loan from parent	-	(2,190)
	3,429	**(2,190)**

	Income in the year ended	**Expenses in the year ended**
	31 March 2020	**31 March 2020**
	£000	**£000**
Interest expense on loan from parent	-	(202)
Interest income on loan to subsidiary	140	-
	140	**(202)**

There are no securities obtained or granted in respect of the outstanding balances with related parties.