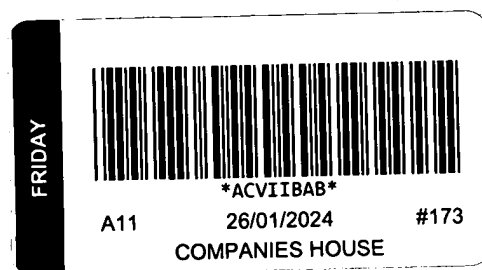


Company Registration No. 10276497 (England and Wales)

NOVUM HOTELS UK LIMITED

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2022**

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NOVUM HOTELS UK LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2022

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable him to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

NOVUM HOTELS UK LIMITED**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022**

	Notes	2022 £	£	2021 £	£
Fixed assets					
Intangible assets	4		176		6,412
Tangible assets	5		320,546		337,587
			<u>320,722</u>		<u>343,999</u>
Current assets					
Stocks		4,376		6,005	
Debtors	6	118,415		140,285	
Cash at bank and in hand		307,865		534,942	
		<u>430,656</u>		<u>681,232</u>	
Creditors: amounts falling due within one year	7	<u>(4,142,791)</u>		<u>(3,686,608)</u>	
Net current liabilities			<u>(3,712,135)</u>		<u>(3,005,376)</u>
Total assets less current liabilities			<u>(3,391,413)</u>		<u>(2,661,377)</u>
Capital and reserves					
Called up share capital			10,000		10,000
Profit and loss reserves			<u>(3,401,413)</u>		<u>(2,671,377)</u>
Total equity			<u>(3,391,413)</u>		<u>(2,661,377)</u>

The directors of the company have elected not to include a copy of the income statement within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 25/01/24 and are signed on its behalf by:



Mr D Etmenan
Director

NOVUM HOTELS UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Company information

Novum Hotels UK Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is 6th Floor, 25 Farringdon Street, London, United Kingdom, EC4A 4AB.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in pounds Sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound Sterling.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Going concern

The directors have prepared the accounts on a going concern basis which is dependent on the continued financial support provided to the Company by its parent company Novum Hospitality GmbH.

The management of Novum Hospitality GmbH continuously analyzes events in the UK and the world (e.g. inflation, the Ukraine conflict, global supply chain issues) and regularly evaluates their impact on Novum Hospitality UK Limited. Due to the resulting uncertainties, corporate planning is also subject to inherent uncertainties. Due to the secure financial position and the cautious planning assumptions in the monthly liquidity planning, these uncertainties are sufficiently taken into account, so that Novum Hotels UK Limited looks confidently to a successful future.

Nevertheless, due to the over-indebtedness of the company the directors have obtained a letter of support from Novum Hospitality GmbH confirming that they will provide support where necessary for a period of at least 12 months from the date of approval of these financial statements. As such, the directors consider it appropriate for these accounts to be prepared on a going concern basis.

Turnover

Turnover represents income recognised in respect of goods and services supplied within the company's principal activity of hotel operations, exclusive of value added tax and trade discounts. The accruals basis is applied in the financial statements to ensure that turnover is recognised in the period to which it relates.

Turnover is recognised in relation to separately identifiable components of a single transaction when necessary to reflect the substance of the arrangement and in relation to two or more linked transactions when necessary to understand the commercial effect.

Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software	Over 3 years
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NOVUM HOTELS UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies (Continued)

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Assets under construction	Not depreciated
Fixtures and fittings	Over 5 - 7 years

Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

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

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other debtors and cash at bank, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

NOVUM HOTELS UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies (Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

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

Basic financial liabilities

Basic financial liabilities, including trade and other creditors, (including accruals) and amounts due to group undertakings, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

Equity instruments

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

NOVUM HOTELS UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies (Continued)

Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

Foreign exchange

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

2 Government grant

During the year, the company made a successful application under the government Coronavirus Job Retention Scheme to aid businesses with the financial impact of the Covid-19 pandemic. The amount claimed at year end totalled £6,000 (2021: £8,249) which has been recognised in the statement of comprehensive income as other income.

3 Employees

The average monthly number of persons employed by the company during the year was 15 (2021 - 9).

NOVUM HOTELS UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

4 Intangible fixed assets

	Software £
Cost	
At 1 January 2022 and 31 December 2022	19,844
Amortisation and impairment	
At 1 January 2022	13,432
Amortisation charged for the year	6,236
At 31 December 2022	19,668
Carrying amount	
At 31 December 2022	176
At 31 December 2021	6,412

5 Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 January 2022	387,726
Additions	3,094
At 31 December 2022	390,820
Depreciation and impairment	
At 1 January 2022	50,139
Depreciation charged in the year	20,135
At 31 December 2022	70,274
Carrying amount	
At 31 December 2022	320,546
At 31 December 2021	337,587

6 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	52,256	49,375
Other debtors	66,159	90,910
	118,415	140,285

NOVUM HOTELS UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

7 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	61,575	164,831
Amounts owed to group undertakings	3,933,906	3,443,536
Taxation and social security	35,007	-
Other creditors	112,303	78,241
	<u>4,142,791</u>	<u>3,686,608</u>

Amounts due to group undertakings are unsecured and interest is payable at a rate of 1%. The loans are repayable on demand.

8 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022 £	2021 £
Within one year	829,800	829,800
Between one and five years	3,319,200	3,319,200
In over five years	9,932,245	10,762,045
	<u>14,081,245</u>	<u>14,911,045</u>

9 Parent company

The smallest group in which the results of the company are consolidated is that headed by Novum Hospitality GmbH, a company incorporated in Germany. The consolidated accounts of Novum Hospitality GmbH are available from its registered office An de Alster 63, 20099 Hamburg, Germany.

10 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Christopher Tate.
The auditor was RSM UK Audit LLP.