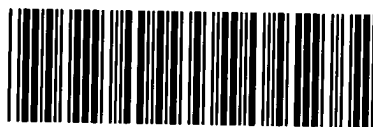


PANDOX HIGHLANDER OPCO LIMITED

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

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PANDOX HIGHLANDER OPCO LIMITED

COMPANY INFORMATION

Directors	D M R Jaffe (resigned 25 January 2023) L Nou (resigned 5 April 2022) S J Torner W M Adriaanse A E Lindblom (appointed 5 April 2022) B L Williams (appointed 25 January 2023)
Registered number	11471650
Registered office	Byfield House Town Green Great Ellingham Attleborough Norfolk NR17 1LP
Independent auditor	Cooper Parry Group Limited Chartered Accountants & Statutory Auditor Sky View Argosy Road East Midlands Airport Castle Donington Derby DE74 2SA

PANDOX HIGHLANDER OPCO LIMITED

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PANDOX HIGHLANDER OPCO LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their report and the financial statements for the year ended 31 December 2022.

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 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 for the company's financial statements 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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal activity

The principal activity of the company is that of operator of a hotel in Glasgow, Scotland, UK. The hotel is leased from a related party, Padox Highlander Propco Limited. The activity is unlikely to change for the foreseeable future.

Results and dividends

The loss for the year, after taxation, amounted to £494,137 (2021 - loss £2,098,602).

No dividends were paid or declared in the year (2021: £Nil).

Directors

The directors who served during the year are shown on the company information page.

Statement of disclosure to auditor

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

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

PANDOX HIGHLANDER OPCO LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

DocuSigned by:

Bobby Williams

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B L Williams
Director

Date: 5/25/2023

PANDOX HIGHLANDER OPCO LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PANDOX HIGHLANDER OPCO LIMITED

Opinion

We have audited the financial statements of Pandex Highlander Opco Limited (the 'company') for the year ended 31 December 2022, which comprise the profit and loss account, the balance sheet, the statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

PANDOX HIGHLANDER OPCO LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PANDOX HIGHLANDER OPCO LIMITED
(CONTINUED)**

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

PANDOX HIGHLANDER OPCO LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PANDOX HIGHLANDER OPCO LIMITED (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

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

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

Our assessment focused on key laws and regulations the entity has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, United Kingdom. Generally Accepted Accounting Practice and relevant tax legislation.

We are not responsible for preventing irregularities. Our approach to detecting irregularities included, but was not limited to, the following:

- obtaining an understanding of the entity's policies and procedures and how the entity has complied with these, through discussions and walkthrough testing of controls;
- obtaining an understanding of the legal and regulatory framework applicable to the entity and how the entity is complying with that framework;
- obtaining an understanding of the entity's risk assessment process, including the risk of fraud;
- designing our audit procedures to respond to our risk assessment; and
- performing audit testing over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business for bias.

In response to the risk of irregularities in relation to non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims and reviewing legal and professional expenses;
- reviewing correspondence with HMRC and associated parties;

Whilst considering how our audit work addressed the detection of irregularities, we also consider the likelihood of detection based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

PANDOX HIGHLANDER OPCO LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PANDOX HIGHLANDER OPCO LIMITED
(CONTINUED)**

Use of our report

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.



Emre Saka (Senior Statutory Auditor)

for and on behalf of

Cooper Parry Group Limited

Chartered Accountants
Statutory Auditor

Sky View
Argosy Road
East Midlands Airport
Castle Donington
Derby
DE74 2SA
Date: 22 June 2023

PANDOX HIGHLANDER OPCO LIMITED**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	2022 £	2021 £
Turnover		11,093,719	6,027,176
Cost of sales		(4,242,608)	(2,399,798)
Gross profit		<u>6,851,111</u>	<u>3,627,378</u>
Administrative expenses		(7,614,952)	(6,488,733)
Other operating income		8,900	519,293
Operating loss		<u>(754,941)</u>	<u>(2,342,062)</u>
Tax on loss		260,804	243,460
Loss for the financial year		<u><u>(494,137)</u></u>	<u><u>(2,098,602)</u></u>

There were no recognised gains and losses for 2022 or 2021 other than those included in the profit and loss account.

The notes on pages 10 to 17 form part of these financial statements.

PANDOX HIGHLANDER OPCO LIMITED
REGISTERED NUMBER: 11471650

BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	4	1,804,759	2,133,119
Current assets			
Stocks	5	85,421	74,729
Debtors: amounts falling due within one year	6	2,443,510	1,155,910
Cash at bank and in hand		1,258,785	707,801
		<u>3,787,716</u>	<u>1,938,440</u>
Creditors: amounts falling due within one year	7	<u>(9,200,581)</u>	<u>(7,167,174)</u>
Net current liabilities		(5,412,865)	(5,228,734)
Provisions for liabilities			
Deferred tax	8	(15,379)	(33,733)
Net liabilities		<u>(3,623,485)</u>	<u>(3,129,348)</u>
Capital and reserves			
Called up share capital	10	100	100
Profit and loss account	11	(3,623,585)	(3,129,448)
		<u>(3,623,485)</u>	<u>(3,129,348)</u>

The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by

DocuSigned by:

Bobby Williams

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B L Williams

Director

The notes on pages 10 to 17 form part of these financial statements.

PANDOX HIGHLANDER OPCO LIMITED**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2021	100	(1,030,846)	(1,030,746)
Loss for the year	-	(2,098,602)	(2,098,602)
At 1 January 2022	100	(3,129,448)	(3,129,348)
Loss for the year	-	(494,137)	(494,137)
At 31 December 2022	100	(3,623,585)	(3,623,485)

The notes on pages 10 to 17 form part of these financial statements.

PANDOX HIGHLANDER OPCO LIMITED

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

1. Accounting policies

1.1 Basis of preparation of financial statements

Pandox Highlander Opco Limited is a private company limited by shares and is incorporated in England. The address of its registered office is Byfield House, Town Green, Great Ellingham, Attleborough, Norfolk NR17 1LP, UK.

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements are prepared in sterling (£), which is the functional currency of the company. The financial statements are for a period of 52 weeks ended 31 December 2022 (2021: 52 weeks ended December 2021).

The following principal accounting policies have been applied:

1.2 Going concern

The company is wholly reliant, for the foreseeable future, on the continued financial support from its ultimate parent company, Pandox AB, in order to meet its obligations as and when they fall due for the foreseeable future.

Management have reforecasted the expected financial performance and cash flows for the period up to 30 June 2024 and performed additional sensitivity analysis in order to understand the level of support that may be required. This has been discussed with Pandox AB and a letter of support has been provided to the Board of Directors.

Whilst the letter of support is not legally binding the board of directors believe that the company will be provided financial support from Pandox AB in order for the company to meet its obligations as and when they fall due until 30 June 2024. The directors have also considered the financial position of Pandox AB and concluded that they have sufficient financial resources with which to provide the support detailed in the letter.

Therefore on the basis of the above, the directors have approved the financial statements utilising the going concern basis of preparation.

PANDOX HIGHLANDER OPCO LIMITED

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

1. Accounting policies (continued)

1.3 Turnover

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

Sale of goods

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

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

Rendering of services

Turnover from the rendering of services and advance bookings is recognised in respect of overnight accommodation in the period in which the stay occurs. Monies paid in advance are held within deferred income and is released upon the service being delivered.

1.4 Tangible fixed assets

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

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

Depreciation is provided on the following basis:

Fixtures and fittings	- 10 - 20% straight line
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

1.5 Stock

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Where necessary, provisions are made for obsolete or slow moving stock.

PANDOX HIGHLANDER OPCO LIMITED

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

1. Accounting policies (continued)

1.6 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

1.7 Government grants

Grants of a revenue nature are recognised in the profit and loss account in the same period as the related expenditure.

1.8 Current and deferred taxation

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

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

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

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

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

1.9 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

PANDOX HIGHLANDER OPCO LIMITED

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

1. Accounting policies (continued)

1.10 Foreign currency

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the profit and loss account within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

1.11 Operating leases: the company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

1.12 Cash

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

1.13 Provisions for liabilities

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

Provisions are charged as an expense to profit or loss in the year that the company becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

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

1.14 Financial reporting standard 102 - reduced disclosure exemptions

As permitted by FRS 102 section 1.2, the company has taken advantage of the disclosure exemptions available under that standard in relation to presentation of a cash flow statement, financial instrument disclosures, disclosure of related party transactions with group members and the aggregate remuneration of key management personnel.

Where required, equivalent disclosures are given in the group accounts of Pandox AB. The group accounts of Pandox AB are available to the public and can be obtained as set out in note 13.

PANDOX HIGHLANDER OPCO LIMITED

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

2. Auditor's remuneration

	2022 £	2021 £
Fees payable to the company's auditor and its associates for the audit of the company's annual financial statements	52,106	46,524

The company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of the parent company.

3. Employees

The average monthly number of employees, including directors, during the year was 113 (2021: 103).

During the year, no director received remuneration (2021: £Nil). Directors are remunerated through other companies within the Pandox AB group and therefore their emoluments are disclosed within their financial statements.

4. Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 January 2022	3,476,293
Additions	167,392
At 31 December 2022	3,643,685
Depreciation	
At 1 January 2022	1,343,174
Charge for the year on owned assets	495,752
At 31 December 2022	1,838,926
Net book value	
At 31 December 2022	1,804,759
At 31 December 2021	2,133,119

5. Stocks

	2022 £	2021 £
Goods for resale	85,421	74,729

PANDOX HIGHLANDER OPCO LIMITED

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

6. Debtors: Amounts falling due within one year

	2022	2021
	£	£
Trade debtors	1,167,991	221,606
Other debtors	1,054,816	870,944
Prepayments and accrued income	220,703	63,360
	<u>2,443,510</u>	<u>1,155,910</u>

7. Creditors: Amounts falling due within one year

	2022	2021
	£	£
Bank overdrafts	1,440	-
Trade creditors	665,991	266,802
Amounts owed to group undertakings	7,005,859	5,499,859
Other creditors	289,645	236,405
Accruals and deferred income	1,237,646	1,164,108
	<u>9,200,581</u>	<u>7,167,174</u>

Amounts owed to group undertakings are unsecured, partially interest free, have no fixed date of repayment and are repayable on demand.

PANDOX HIGHLANDER OPCO LIMITED

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

8. Deferred taxation

	2022 £
At beginning of year	(33,733)
Charged to profit or loss	18,354
At end of year	(15,379)

The provision for deferred taxation is made up as follows:

	2022 £	2021 £
Accelerated capital allowances	(15,379)	(33,733)
	(15,379)	(33,733)

9. Pensions

The company operates a defined contribution pension scheme. The assets of these schemes are held separately from those of the company in independently administered funds. The company's pension cost for the year was £59,433 (2021: £42,181). Included in creditors is £8,491 (2021: £9,239) in respect of contributions payable to the scheme which were unpaid at the year end and included within accruals.

10. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
100 Ordinary shares of £1.00 each	100	100

11. Reserves

Profit and loss account

The profit and loss account represents accumulated profit and loss for the year and prior periods less dividends paid.

PANDOX HIGHLANDER OPCO LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****12. Commitments under operating leases**

At 31 December 2022 the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2022 £	2021 £
Not later than 1 year	2,510,000	2,510,000
Later than 1 year and not later than 5 years	10,040,000	10,040,000
Later than 5 years	15,060,000	20,080,000
	<u>27,610,000</u>	<u>32,630,000</u>

13. Controlling party

The immediate parent undertaking is Pandox Highlander Holdco Limited, a company registered in the UK. The ultimate parent undertaking is Pandox AB, a company registered in Sweden. The largest and smallest group to consolidate the results of this company are the group headed by Pandox AB. Copies of these financial statements are available electronically from the group investor relations page on their website:

<https://www.pandox.se/investor-relations/financial-reports-and-presentations/>

There is no individual ultimate controlling party.