

# **Ennismore MA Newco 2018 Limited**

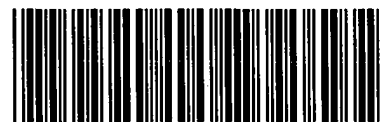
Directors' Report and Financial Statements

Year Ended

31 December 2021

Company Number 11645023

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# Ennismore MA Newco 2018 Limited

## Company Information

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<b>Directors</b>	S Pasricha G Bhushan C J Chenut K M Rockey
<b>Registered number</b>	11645023
<b>Registered office</b>	Third Floor 20 Old Bailey London EC4M 7AN
<b>Independent auditor</b>	BDO LLP 55 Baker Street London W1U 7EU

# Ennismore MA Newco 2018 Limited

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# Ennismore MA Newco 2018 Limited

## Directors' report For the Year ended 31 December 2021

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The directors present their report together with the audited financial statements for the year ended 31 December 2021.

### Principal activity

The principal activity of the company during the year was hotel management.

### Directors

The directors who served during the year were:

S Pasricha  
E T Renaut (resigned 2 October 2021)  
G Bhushan (appointed 4 April 2022)  
C J Chenut (appointed 4 April 2022)  
K M Rockey (appointed 4 April 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 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 year.

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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

### Disclosure of information to auditor

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

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all the steps that 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.

### Auditor

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

# Ennismore MA Newco 2018 Limited

Directors' report (continued)  
For the Year ended 31 December 2021

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## 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.



.....  
**C J Chenut**  
Director

Date: 26th January 2023

# Ennismore MA Newco 2018 Limited

## Independent Auditor's report to the members of Ennismore MA Newco 2018 Limited

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### Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 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.

We have audited the financial statements of Ennismore MA Newco 2018 Limited ("the company") for the year ended 31 December 2021 which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity and notes to the financial statements, 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).

### Basis for opinion

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

### Independence

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

### Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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.

# **Ennismore MA Newco 2018 Limited**

## **Independent Auditor's report to the members of Ennismore MA Newco 2018 Limited (continued)**

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### **Other information**

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

We have nothing to report in this regard.

### **Opinions 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.

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 director's 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 take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

### **Responsibilities of directors**

As explained more fully in the Directors' responsibilities statements, 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.

# Ennismore MA Newco 2018 Limited

## Independent Auditor's report to the members of Ennismore MA Newco 2018 Limited (continued)

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### Auditor's responsibilities for the audit of the financial statements

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

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

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

- obtaining an understanding of the legal and regulatory frameworks that are applicable to the Company, focussing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. These include, but are not limited to, compliance with the Companies Act and compliance with United Kingdom Generally Accepted Accounting Practice in conformity with the requirement of the Companies Act 2006, tax legislation and local government grant legislation.
- making enquiries of management of the company policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- making enquires of other personnel with roles relevant to compliance with laws and regulations.
- communicating the relevant identified laws and regulations and potential fraud risks to all engagement team members and component audit teams, and remaining alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.
- assessing the susceptibility of the financial statements to material misstatement, including how fraud might occur in the financial statements and any potential indicators of fraud. We identified potential for fraud in the following areas and performed the following procedures:
  - **Management override:** we evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial results and management bias in accounting estimates and judgements. Audit procedures performed included:
    - ◆ challenging assumptions made by management in their significant accounting estimates for indications of bias or management override;
    - ◆ identifying and testing manual journal entries, in particular any journal entries containing characteristics of audit interest;



# Ennismore MA Newco 2018 Limited

## Independent Auditor's report to the members of Ennismore MA Newco 2018 Limited (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

*Extent to which the audit was capable of detecting irregularities, including fraud (continued)*

- ◆ evaluation of the control environment pertaining to revenue and specifically looking at the corresponding debits to revenue postings, investigating those outside of our expectations; and
- ◆ revenue journals were specifically reviewed to identify any journals outside of the expected trend, in particular credits to revenue with the debit to an unusual financial statement area.
- Revenue recognition for development fees: we have obtained management calculations behind development fees. The fraud risk specifically lies within the development fees as there is judgement involved around the completion of projects. We have tested a sample of these calculations through to initial signed contract and recalculated based on the projected completion as communicated by the project managers. We have considered how these projects have developed post year end and whether there are any indicators of potential errors to the year end numbers and investigated where relevant

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

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

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

### Use of our report

This report is made solely to the 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.

DocuSigned by:

**Mark RA Edwards**

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**Mark RA Edwards** (Senior Statutory Auditor)  
For and on behalf of BDO LLP, statutory auditor  
London

Date: 27 January 2023

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

# Ennismore MA Newco 2018 Limited

## Statement of comprehensive income for the Year Ended 31 December 2021

	Note	2021 £	2020 £
Turnover	4	93,330	168,983
Administrative expenses		(180,189)	(170,313)
<b>Operating loss</b>	5	<b>(86,859)</b>	<b>(1,330)</b>
Interest payable and similar expenses	7	(121,548)	(17,285)
<b>Loss before tax</b>		<b>(208,407)</b>	<b>(18,615)</b>
Tax on loss	8	-	(4,389)
<b>Loss for the financial year</b>		<b>(208,407)</b>	<b>(23,004)</b>

All amounts relate to continuing operations.

There was no other comprehensive income for 2021 (2020 - £Nil).

The notes on pages 10 to 15 form part of these financial statements.

# Ennismore MA Newco 2018 Limited

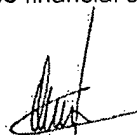
Registered number: 11645023

## Statement of financial position as at 31 December 2021

	Note	2021 £	2020 £
<b>Non-current assets</b>			
Debtors: amounts due after more than 1 year	9	1,806,719	-
<b>Current assets</b>			
Debtors: amounts falling due within one year	9	180,182	540,968
Cash and cash equivalents		48,257	27,040
		<u>228,439</u>	<u>568,008</u>
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	10	(2,398,385)	(722,828)
<b>Net current liabilities</b>		<u>(2,169,946)</u>	<u>(154,820)</u>
<b>Net liabilities</b>		<u>(363,227)</u>	<u>(154,820)</u>
<b>Capital and reserves</b>			
Share capital	11	1	1
Accumulated losses	12	(363,228)	(154,821)
<b>Total equity</b>		<u>(363,227)</u>	<u>(154,820)</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:



.....  
**C J Chenut**  
Director

Date: 26th January 2023

The notes on pages 10 to 15 form part of these financial statements.

## Ennismore MA Newco 2018 Limited

### Statement of changes in equity For the Year ended 31 December 2021

	Share capital £	Accumulated losses £	Total equity £
At 1 January 2021	1	(154,821)	(154,820)
<b>Comprehensive loss for the year</b>			
Loss for the year	-	(208,407)	(208,407)
<b>At 31 December 2021</b>	<u>1</u>	<u>(363,228)</u>	<u>(363,227)</u>

### Statement of changes in equity For the Year ended 31 December 2020

	Share capital £	Accumulated losses £	Total equity £
At 1 January 2020	1	(131,817)	(131,816)
<b>Comprehensive loss for the year</b>			
Loss for the year	-	(23,004)	(23,004)
<b>At 31 December 2020</b>	<u>1</u>	<u>(154,821)</u>	<u>(154,820)</u>

The notes on pages 10 to 15 form part of these financial statements.

# Ennismore MA Newco 2018 Limited

## Notes to the financial statements For the Year ended 31 December 2021

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### 1. General information

Ennismore MA Newco 2018 Limited is a private company, limited by shares and incorporated in England and Wales under the Companies Act 2006. The address of the registered office is stated on the company information page and the nature of the company's operation and its principal activity are stated in the directors' report.

### 2. Accounting policies

#### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies 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 preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

#### 2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A; and
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Accor SA as at 31 December 2021 and these financial statements may be obtained from <https://group.accor.com/en/finance>.

#### 2.3 Going concern

At the reporting date, the company had net current liabilities of £2,169,946 (2020 - £154,820). Ennismore International Management Limited, its immediate parent company, has committed to provide funding to the company to ensure it can meet its financial liabilities as they fall due for a period of at least twelve months from the date of approval of these financial statements. On this basis, the directors have concluded it is appropriate to prepare the financial statements on a going concern basis.

# Ennismore MA Newco 2018 Limited

## Notes to the financial statements For the Year ended 31 December 2021

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### 2. Accounting policies (continued)

#### 2.4 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

#### 2.5 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the statement of comprehensive income 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 reporting 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 reporting 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 reporting date.

#### 2.6 Debtors

Short term debtors are measured at transaction price, less any impairment.

#### 2.7 Key money assets

Amounts paid to hotel owners to secure management and franchise agreements ('key money') are treated as consideration payable to a customer. A key money asset is recorded which is recognised as a deduction to revenue over the initial term of the contract.

Key money assets are not financial assets as they represent amounts paid by the Company at the beginning of the contract, and so are tested for impairment based on value in use rather than with reference to expected credit losses.

#### 2.8 Cash and cash equivalents

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

# Ennismore MA Newco 2018 Limited

## Notes to the financial statements For the Year ended 31 December 2021

### 2. Accounting policies (continued)

#### 2.9 Creditors

Short term creditors are measured at the transaction price.

Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

### 3. Judgements in applying accounting policies and key sources of estimation uncertainty

There are no estimates and judgements that have a significant risk of causing material adjustment to the carrying amounts of assets or liabilities within the financial year.

### 4. Turnover

All turnover arose within the United Kingdom.

### 5. Operating loss

The operating loss is stated after charging:

	2021 £	2020 £
Exchange differences	20,782	1,844

The auditors remuneration and tax service fees are costs borne by the parent company EIML.

### 6. Employees

The company has no employees other than the directors, who did not receive any remuneration (2020 - £Nil).

Directors' remuneration was borne by another group company.

### 7. Interest payable and similar expenses

	2021 £	2020 £
Interest payable	121,548	17,285

# Ennismore MA Newco 2018 Limited

## Notes to the financial statements For the Year ended 31 December 2021

### 8. Taxation

	2021 £	2020 £
<b>Corporation tax</b>		
Current tax on losses for the year	-	-
Adjustments in respect of previous periods	-	4,389
	-	4,389
<b>Total current tax</b>	-	4,389
<b>Deferred tax</b>		
<b>Total deferred tax</b>	-	-
<b>Taxation on profit on ordinary activities</b>	-	4,389

#### Factors affecting tax charge for the year

The tax assessed for the year is higher than (2020 - higher than) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 £	2020 £
Loss on ordinary activities before tax	(208,407)	(18,615)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	(39,597)	(3,537)
<b>Effects of:</b>		
Expenses not deductible for tax purposes	14,575	71
Adjustments to tax charge in respect of prior periods	-	4,389
Deferred tax not recognised	25,022	3,466
<b>Total tax charge for the year</b>	-	4,389

#### Factors that may affect future tax charges

From 1 April 2023 the main corporation tax rate will increase from 19% to 25% and hence the deferred tax adjustment is a result of using the future tax rate of 25%.



# Ennismore MA Newco 2018 Limited

## Notes to the financial statements For the Year ended 31 December 2021

### 9. Debtors

	2021 £	2020 £
<b>Due after more than one year</b>		
Key money asset	1,806,719	-
	2021 £	2020 £
<b>Due within one year</b>		
Trade debtors	35,864	2,625
Amounts owed by group undertakings	3,239	-
Amounts owed by joint ventures and associated undertakings	-	22,685
Other debtors	33,636	4,137
Prepayments and accrued income	-	511,521
Key money asset	107,443	-
	180,182	540,968

Included in key money assets due after more than one year is an amount of £302,500 relating to key money paid to the hotel owner of Hoxton Amsterdam. No amortisation has been deducted from revenue in the statement of comprehensive income in the year ended 31 December 2021 for this hotel. The remaining amounts in key money assets due after more than one year is an amount of £1,504,197 and the £107,443 in key money assets due within one year relate to key money paid to the hotel owner of Hoxton Rome. In the year ended 31 December 2021 £76,711 of amortisation is charged to the statement of comprehensive income as a deduction in revenue against key money paid to the hotel owner of Hoxton Rome.

### 10. Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	302,522	27,946
Amounts owed to group undertakings	2,045,751	694,509
Accruals and deferred income	50,112	373
	2,398,385	722,828

Included within amounts owed to group undertakings is a balance of £1,853,591 (2020 - £601,444) which is interest bearing with a fixed interest rate of 6%, unsecured and repayable on demand.

# Ennismore MA Newco 2018 Limited

## Notes to the financial statements For the Year ended 31 December 2021

### 11. Share capital

	2021 £	2020 £
Allotted, called up and fully paid		
1 Ordinary share of £1	1	1

### 12. Reserves

#### Share capital

Share capital represents the nominal value of shares issued.

#### Profit and loss account

Accumulated losses represent the cumulative profits or losses, net of dividends paid and other adjustments.

### 13. Related party transactions

The company has taken advantage of the exemption conferred by Financial Reporting Standard 102 Section 33 'Related Party Disclosures' paragraph 33.1A not to disclose transactions with certain group companies on the grounds that 100% of the voting rights in the company are controlled by the group.

The company is related to Egg Break Limited by virtue of common control. At 31 December 2021, the company owed £3,239 (2020 - was owed £22,685 by) to Egg Break Limited as a result of group tax relief claimed.

### 14. Controlling party

At 31 December 2021, the immediate parent undertaking is Ennismore International Management Limited, a company registered in England and Wales. The ultimate parent is Accor SA, a company registered in France.

The largest and smallest group in which the results of Ennismore MA Newco 2018 Limited are consolidated is that headed by Accor SA. The consolidated accounts of Accor SA are available to the public and may be obtained from <https://group.accor.com/en/finance>.