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BVI company registered number: 666666  
UK foreign company registered number: FC026312

**Gold Diamond D Regent's Park 2005 Ltd**

**Annual report and financial statements  
for the year ended 31 December 2020**





## **Gold Diamond D Regent's Park 2005 Ltd**

### **Company information**

**Directors**

S. Al Dhaheri - alternate  
S. Al Darmaki  
K. Al Khajeh  
M. Al Mansoori  
J. Anand  
D. Ayyar - alternate  
M. Foxon

**Registered number** FC026312

**Registered office**

Ritter House  
Wickhams Cay II  
Road Town  
Tortola  
British Virgin Islands

**UK Establishment office**

400 Capability Green  
Luton  
Bedfordshire  
LU1 3LU  
United Kingdom

# **Gold Diamond D Regent's Park 2005 Ltd**

## **Contents**

	<b>Page(s)</b>
<b>Strategic report</b>	<b>1 - 2</b>
<b>Directors' report</b>	<b>3 - 4</b>
<b>Profit and loss account</b>	<b>5</b>
<b>Statement of other comprehensive income</b>	<b>6</b>
<b>Balance sheet</b>	<b>7</b>
<b>Statement of changes in equity</b>	<b>8</b>
<b>Cash flow statement</b>	<b>9</b>
<b>Notes to the financial statements</b>	<b>10 - 24</b>

# Gold Diamond D Regent's Park 2005 Ltd

## Strategic report for the year ended 31 December 2020

The directors present their strategic report and the unaudited financial statements of the company for the year ended 31 December 2020.

### Business review

The principal activity of the company continued to be the operation of a hotel in the United Kingdom. This hotel is operated by Marriott.

The company has reported a gross profit of £2,523,164 (2019: £15,477,767). Loss for the underlying business was £3,895,998 (2019: profit £4,938,262). The loss for the financial year, after taxation, amounted to £4,565,166 (2019: profit £2,577,646).

Following a valuation by CBRE Hotels Ltd dated 31 December 2020, the directors have revalued the company's hotel asset to £81,000,000 (2019: £98,000,000). The valuation was carried out in accordance with the RICS Valuation - Professional Standards effective from January 2017.

The directors consider the key financial indicators to be:

	2020	2019
Gross profit margin	66.63%	76.72%
Operating (loss)/profit margin	(102.89)%	24.48%
(Loss)/profit after tax	£(4,565,166)	£2,577,646
Valuation of hotel asset	£81,000,000	£98,000,000

### Principal risks and uncertainties

The company is subject to a variety of risks, which may have an adverse impact on the business, its operating results, turnover, profit, assets and reserves.

Listed below are the main risks which, in the opinion of the directors, could significantly affect the company's business.

#### - *Competitive risks*

The directors review the hotel against a self selected group of competitor hotels. These reports allow the company to compare accommodation occupancy percentage, average rate, revenue per available room (RevPAR) and its competitive position in market penetration, average rate and revenue generation against the competitive group.

#### - *Currency risk*

The hotel business is affected by the strength of sterling, with strong sterling adversely impacting the effective room rates to international guests.

#### - *Legislative risks*

Health and safety regulations are constantly reviewed and to this effect the hotel has an appointed Health and Safety Manager to carry out all legally required training and to ensure all health and safety policies are communicated and adhered to.

# Gold Diamond D Regent's Park 2005 Ltd

## Strategic report for the year ended 31 December 2020

### Principal risks and uncertainties (continued)

#### - Economic environment

The company operates in a competitive environment influenced by the UK economy. Adverse economic and financial market developments, including recession and currency fluctuations could lead to lower revenues and reduced income. Experience shows a recession lessens both leisure and business travel and negatively affects rooms' rates and/or occupancy levels and other income-generating activities such as food and beverage sales. This may result in worsening of operating results and potentially reduce the value of properties.

#### - Events that impact domestic and international travel

Room rates and occupancy levels of the hotel could be negatively affected by events that reduce domestic and/or international travel. These include events such as acts of terrorism, epidemics, pandemics including COVID-19, travel-related industrial action and increased fuel costs all of which could result in a fall in both domestic and worldwide travel. Such events may lead to a fall in demand for hotel rooms that would have a subsequent impact on the company's operations and financial results.

#### - Technology and systems

The company is reliant upon certain IT systems for the smooth and efficient running of its business and any disruption to those IT systems could have a detrimental effect on the running of the business. If the company does not keep up-to-date with new IT developments it runs the risk of becoming less competitive, which could result in a loss of customers and a failure to attract new customers.

### Future developments

During 2020, the hotel's operator significantly reduced staff levels to align the work force to the lower occupancy levels expected on re-opening. This, together with the extension of the support available from the government in form of the Coronavirus Job Retention Scheme and Business Rates relief for the hospitality sector, will allow the hotel to gradually return to profitability, assuming no further lockdowns or other restrictions are imposed post the re-opening of UK hospitality.

### Further consideration

The UK left the EU on 31 January 2020 and the transition period ended on 31 December 2020, in which time the UK and EU negotiated additional arrangements and concluded the "Trade and Cooperation Agreement".

The directors have assessed the potential impact that Brexit could have on the company. The key risks identified relate to the operator's ability to recruit and retain staff. The COVID-19 crisis saw a lot of EU based nationals return to their countries of origin. To date the impact of Brexit on the company has been difficult to quantify given the hotel has been non-operational or operating at a lower capacity on and off since March 2020 as a result of COVID-19. Furthermore, it is expected that the continued relatively low value of pound sterling vs the euro, newly introduced visa regulations and the vulnerable nature of jobs in the hotel sector, as evidenced by the recent pandemic, will make it harder for the operator to recruit from overseas, especially for food and beverage and housekeeping positions. This may lead to inflationary pressure on salaries.

This report was approved by the board on 01 June

2021 and signed on its behalf by:

*Marten Foxon*

Marten Foxon (Jul 5, 2021 13:23 GMT+4)

**M. Foxon**  
Director

*M. Al Mansoori*

Majed AlMansoori (Jul 5, 2021 15:51 GMT+4)

**M. Al Mansoori**  
Director

# **Gold Diamond D Regent's Park 2005 Ltd**

## **Directors' report for the year ended 31 December 2020**

The directors present their report and the unaudited financial statements of the company for the year ended 31 December 2020.

### **Results and dividends**

The loss for the year, after taxation, amounted to £4,565,166 (2019: profit £2,577,646).

The directors do not recommend the payment of a final dividend for the year ended 31 December 2020 (2019: £Nil).

The operations and business activities of the company have been impacted by the COVID-19 outbreak. A hotel in the United Kingdom is operated under this entity. This hotel has been non-operational or operating at a lower capacity, catering only to essential business on and off since March 2020 to comply with government regulations of lockdown to prevent the spread of COVID-19.

Whilst the operator has benefited from government support such as the Coronavirus Job Retention Scheme and the Business Rates relief for Retail, Hospitality & Leisure which have helped to mitigate the operational losses, working capital funding in the form of equity injections of £1,632,312 have been required in 2020. In addition, the result has been impacted by actual and accrued severance payments related to the restructuring of the workforce.

### **Going concern**

The operations and business activities of the company have been impacted by the COVID-19 outbreak. The balance sheet of the company shows a net current assets position and the parent undertaking, Tamweelview European Holdings SA has given a written undertaking that it has the capacity and intention to continue supporting the company to allow it to meet its liabilities as they fall due for 12 months from the approval of these financial statements. Therefore, the directors believe that the company has sufficient financial resources to meet its trading obligations as and when they fall due and accordingly these financial statements have been prepared on a going concern basis.

### **Future developments**

An indication of the likely future developments of the company is provided in the strategic report.

### **Financial risk management objectives and policies**

The activities of the company expose it to a number of financial risks, which it seeks to mitigate, including credit risk and liquidity risk.

#### **- Credit risk**

The company's principal financial assets are bank balances and cash, trade and other receivables. The company's credit risk is primarily attributable to its trade receivables which are stated net of allowances for doubtful receivables and where there is an identified loss event they are impaired.

Credit risk is spread over a large number of counterparties and customers.

#### **- Liquidity risk**

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the company uses short term debt from its immediate parent undertaking.

# Gold Diamond D Regent's Park 2005 Ltd

## Directors' report for the year ended 31 December 2020

### Directors

The directors who held office during the year and up to the date of signing the financial statements were:

S. Al Dhaheri - alternate  
S. Al Darmaki  
K. Al Khajeh  
M. Al Mansoori  
J. Anand  
D. Ayyar - alternate  
M. Foxon  
A. Garrod - alternate (resigned 10 March 2021)  
C. Scragg - alternate (resigned 1 January 2020)

### 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 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 they have elected to prepare the 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 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 estimates that are reasonable and prudent;
- assess the 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 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 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 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 company and to prevent and detect fraud and other irregularities.

This report was approved by the board on

01 June

2021 and signed on its behalf by:

  
Marten Foxon (Jul 5, 2021 13:23 GMT+4)

**M. Foxon**  
Director

  
Majed Al Mansoori (Jul 5, 2021 15:51 GMT+4)

**M. Al Mansoori**  
Director



## Gold Diamond D Regent's Park 2005 Ltd

### Profit and loss account for the year ended 31 December 2020

	Note	2020 £	2019 £
Turnover	5	3,786,649	20,174,289
Cost of sales		(1,263,485)	(4,696,522)
<b>Gross profit</b>		<b>2,523,164</b>	<b>15,477,767</b>
Administrative expenses		(6,419,162)	(10,539,505)
<b>Operating (loss)/profit</b>	6	<b>(3,895,998)</b>	<b>4,938,262</b>
Interest receivable	8	491	1,659
Interest payable and similar charges	9	(1,554,083)	(1,761,926)
<b>(Loss)/profit before taxation</b>		<b>(5,449,590)</b>	<b>3,177,995</b>
Taxation on (loss)/profit for the financial year	10	884,424	(600,349)
<b>(Loss)/profit for the financial year</b>		<b>(4,565,166)</b>	<b>2,577,646</b>

The notes on pages 10 to 24 form part of these financial statements.

## Gold Diamond D Regent's Park 2005 Ltd

### Statement of other comprehensive income for the year ended 31 December 2020

	Note	2020 £	2019 £
(Loss)/profit for the financial year		<u>(4,565,166)</u>	<u>2,577,646</u>
<b>Other comprehensive (expense)/income</b>			
Revaluation of tangible assets	12	(13,428,761)	12,606,979
Deferred tax credit/(charge)	17	1,062,507	(1,856,076)
<b>Other comprehensive (expense)/income for the financial year, net of tax</b>		<u>(12,366,254)</u>	<u>10,750,903</u>
<b>Total comprehensive (expense)/income for the financial year</b>		<u><u>(16,931,420)</u></u>	<u><u>13,328,549</u></u>

The notes on pages 10 to 24 form part of these financial statements.

# Gold Diamond D Regent's Park 2005 Ltd

Registered number: FC026312

## Balance sheet as at 31 December 2020

	Note	2020 £	2020 £	2019 £	2019 £
<b>Fixed assets</b>					
Intangible assets	11		-		-
Tangible assets	12		81,000,000		98,000,000
			<u>81,000,000</u>		<u>98,000,000</u>
<b>Current assets</b>					
Stocks	13	8,689		31,035	
Debtors	14	3,428,475		3,691,008	
Cash at bank and in hand		21,463		205,831	
		<u>3,458,627</u>		<u>3,927,874</u>	
Creditors: Amounts falling due within one year	15	(2,872,002)		(3,993,715)	
<b>Net current assets/(liabilities)</b>			<u>586,625</u>		<u>(65,841)</u>
<b>Total assets less current liabilities</b>			<u>81,586,625</u>		<u>97,934,159</u>
Creditors: Amounts falling due after more than one year	16		(47,228,925)		(47,155,157)
<b>Provisions for liabilities</b>					
Deferred tax liability	17		(10,578,579)		(11,700,773)
<b>Net assets</b>			<u>23,779,121</u>		<u>39,078,229</u>
<b>Capital and reserves</b>					
Called up share capital	18		21,014,262		19,381,950
Revaluation reserve			36,863,109		50,430,947
Retained earnings			(34,098,250)		(30,734,668)
<b>Total equity</b>			<u>23,779,121</u>		<u>39,078,229</u>

The financial statements on pages 5 to 24 were approved and authorised for issue by the board on 01 June 2021 and were signed on its behalf by:

*Marten Foxon*

Marten Foxon (Jul 5, 2021 13:23 GMT+4)

**M. Foxon**  
Director

*M. Al Mansoori*

Majed AlMansouri (Jul 5, 2021 15:51 GMT+4)

**M. Al Mansoori**  
Director

The notes on pages 10 to 24 form part of these financial statements.

## Gold Diamond D Regent's Park 2005 Ltd

### Statement of changes in equity for the year ended 31 December 2020

	Called up share capital £	Revaluation reserve £	Retained earnings £	Total equity £
At 1 January 2020	19,381,950	50,430,947	(30,734,668)	39,078,229
<b>Comprehensive expense for the year</b>				
Loss for the financial year	-	-	(4,565,166)	(4,565,166)
Deferred tax credit	-	1,062,507	-	1,062,507
Revaluation of tangible assets	-	(13,428,761)	-	(13,428,761)
<b>Contributions by and distributions to owners</b>				
Issue of share capital	1,632,312	-	-	1,632,312
Transfer of depreciation upon revaluation	-	(1,353,039)	1,353,039	-
Transfer of prior period deferred tax	-	151,455	-	151,455
Transfer of prior period deferred tax	-	-	(151,455)	(151,455)
<b>At 31 December 2020</b>	<b>21,014,262</b>	<b>36,863,109</b>	<b>(34,098,250)</b>	<b>23,779,121</b>

### Statement of changes in equity for the year ended 31 December 2019

	Called up share capital £	Revaluation reserve £	Retained earnings £	Total equity £
At 1 January 2019	19,381,950	40,583,663	(34,215,933)	25,749,680
<b>Comprehensive income for the year</b>				
Profit for the financial year	-	-	2,577,646	2,577,646
Deferred tax charge	-	(1,856,076)	-	(1,856,076)
Revaluation of tangible assets	-	12,606,979	-	12,606,979
<b>Contributions by and distributions to owners</b>				
Transfer of depreciation upon revaluation	-	(1,048,127)	1,048,127	-
Transfer of prior period deferred tax	-	144,508	-	144,508
Transfer of prior period deferred tax	-	-	(144,508)	(144,508)
<b>At 31 December 2019</b>	<b>19,381,950</b>	<b>50,430,947</b>	<b>(30,734,668)</b>	<b>39,078,229</b>

The notes on pages 10 to 24 form part of these financial statements.

# Gold Diamond D Regent's Park 2005 Ltd

## Statement of cash flows for the year ended 31 December 2020

	Note	2020 £	2019 £
<b>Cash flows from operating activities</b>			
(Loss)/profit for the financial year		(4,565,166)	2,577,646
<b>Adjustments for:</b>			
Depreciation of tangible assets	12	3,774,366	3,466,608
Decrease/(increase) in stocks		22,346	(22,104)
Decrease/(increase) in debtors		657,123	(149,251)
Decrease/(increase) in amounts owed by group undertakings		345,091	(2,620,158)
Decrease in creditors		(1,291,627)	(514,009)
Increase/(decrease) in amounts owed to group undertakings		268,227	(3,388,359)
Taxation on (loss)/profit on ordinary activities	10	(884,424)	600,349
Interest payable and similar charges	9	1,554,083	1,761,926
Interest receivable	8	(491)	(1,659)
Tax paid		(453,894)	(621,247)
<b>Net cash (used in)/generated from operating activities</b>		<b>(574,366)</b>	<b>1,089,742</b>
<b>Cash flows from investing activities</b>			
Purchase of tangible assets	12	(203,127)	(259,629)
Interest received		491	1,659
<b>Net cash used in investing activities</b>		<b>(202,636)</b>	<b>(257,970)</b>
<b>Cash flows from financing activities</b>			
Issue of share capital	18	1,632,312	-
Interest and similar charges paid		(1,039,678)	(1,210,336)
<b>Net cash generated from/(used in) financing activities</b>		<b>592,634</b>	<b>(1,210,336)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(184,368)</b>	<b>(378,564)</b>
Cash and cash equivalents at beginning of year		205,831	584,395
<b>Cash and cash equivalents at the end of year</b>		<b>21,463</b>	<b>205,831</b>
<b>Cash and cash equivalents at the end of the year comprise:</b>			
Cash at bank and in hand		21,463	205,831

The notes on pages 10 to 24 form part of these financial statements.

# **Gold Diamond D Regent's Park 2005 Ltd**

## **Notes to the financial statements for the year ended 31 December 2020**

### **1. General information**

Gold Diamond D Regent's Park 2005 Ltd ('the company') operates a hotel in the United Kingdom. This hotel is operated by Marriott.

The company is a private company limited by shares and is incorporated in the British Virgin Islands. The address of its registered office is Ritter House, Wickhams Cay II, Road Town, Tortola, British Virgin Islands.

### **2. Statement of compliance**

The individual financial statements of Gold Diamond D Regent's Park 2005 Ltd have been prepared in compliance with United Kingdom Accounting Standards, comprising Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland', ('FRS 102') and in accordance with the Companies Act 2006.

### **3. Accounting policies**

#### **3.1 Basis of preparation of financial statements**

The financial statements have been prepared on a going concern basis, under the historical cost convention as modified by the revaluation of land and buildings. The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

The operations and business activities of the company have been impacted by the COVID-19 outbreak. A hotel in the United Kingdom is operated under this entity. This hotel has been non-operational or operating at a lower capacity, catering only to essential business on and off since March 2020 to comply with government regulations of lockdown to prevent the spread of COVID-19.

The company is part of a cross-collateralised pool of assets that secures a £466m debt facility with Credit Agricole Corporate and Investment Bank for which £40.9 million is allocated to the company.

This cross-guaranteed debt facility is combined with other group entities operating hotels under the Silver Diamond portfolio, the outstanding amount totalling £466 million. The financial covenants are loan to value, debt to EBITDA and interest cover ratio, and these are required to be obliged on a quarterly basis and are assessed by the bank on a combined portfolio basis. A covenant waiver was provided by the bank from 26 March 2020 to and including 31 December 2020 subject to certain conditions. A new waiver letter has been signed on 18 March 2021 extending the waiver period to March 2022 and for which Tamweelview European Holdings SA has provided a 12 months interest shortfall guarantee. The waiver avoids any breach of the debt to EBITDA and interest cover ratio covenants until the first quarter of 2022, preventing any event of default.

The hotel continued to be non-operational or operate at a lower capacity for the first months of 2021 and fully reopened in May 2021.

The parent undertaking, Tamweelview European Holdings SA, has given a written undertaking that it has the capacity and intention to continue supporting the company to allow it to meet its liabilities as they fall due for 12 months from the approval of these financial statements.

# **Gold Diamond D Regent's Park 2005 Ltd**

## **Notes to the financial statements for the year ended 31 December 2020**

### **3. Accounting policies (continued)**

#### **3.1 Basis of preparation of financial statements (continued)**

Tamweelview European Holdings SA has current liabilities owed to Silver Holdings SA and Silver Holdings SA is an immediate parent entity of Tamweelview European Holdings SA. Tamweelview European Holdings SA is considered a going concern and has sufficient resources and reserves to continue the operations and provide support to the company. Without considering the payables towards Silver Holdings SA, there would be an excess of current assets over current liabilities which is sufficient to provide support to the company, including the repayment of the portfolio debt if required.

Silver Holdings SA has confirmed it will not request its subsidiary for repayment of the above-mentioned intercompany payables if it would prevent its subsidiary to continue to carry on its business and to continue its operations.

The company is ultimately controlled by Abu Dhabi Investment Authority, a sovereign wealth fund, registered in United Arab Emirates. The directors have no reason to believe that the Abu Dhabi Investment Authority would not continue to support the group.

Therefore the directors believe that the company has access to sufficient financial resources to support the business to meet its trading obligations as and when they fall due for at least 12 months from the date of approval of the financial statements and accordingly these financial statements have been prepared on a going concern basis.

As with any company 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.

#### **3.2 Turnover**

Turnover is the value of services and goods sold, within the United Kingdom, as part of the company's continuing ordinary activities after deducting value added taxes.

##### **(i) Sale of services**

Turnover is recognised on room sales and guest services when rooms are occupied and services have been rendered.

##### **(ii) Sale of goods - retail**

Sales of goods are recognised on sale to the customer which is considered the point of delivery. Retail sales are usually by cash, credit or payment card.

#### **3.3 Exceptional items**

The company classifies certain one-off charges or credits that have a material impact on the company's financial results as 'exceptional items'. These are disclosed separately to provide further understanding of the financial performance of the company.

Gains or losses which are recognised in the profit and loss account on the impairment or reversal of impairment of land and buildings are treated as exceptional items.

#### **3.4 Interest receivable**

Interest receivable is recognised in the profit and loss account using the effective interest method.

## **Gold Diamond D Regent's Park 2005 Ltd**

### **Notes to the financial statements for the year ended 31 December 2020**

#### **3. Accounting policies (continued)**

##### **3.5 Interest payable and similar charges**

Interest payable is charged to the profit and loss account over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

##### **3.6 Taxation**

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

###### **(i) Current tax**

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

###### **(ii) Deferred tax**

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

##### **3.7 Intangible assets**

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities and amortised to the profit and loss account over its estimated economic life.



# Gold Diamond D Regent's Park 2005 Ltd

## Notes to the financial statements for the year ended 31 December 2020

### 3. Accounting policies (continued)

#### 3.8 Tangible assets

Tangible assets include leasehold hotels. Land and hotel buildings are stated at fair value, and hotel fixtures and fittings are stated at cost. Hotel refurbishment costs are capitalised in the period in which they are incurred. Repairs and maintenance costs are expensed as incurred.

A full valuation is carried out by a qualified external valuer every year. Revaluation gains are taken to the statement of other comprehensive income unless reversing a previously recognised impairment, when they are recognised in the profit and loss account. Revaluation losses are recognised in the statement of other comprehensive income to the extent that they offset previous revaluation gains. All other losses, including those incurred by a clear consumption of economic benefit, are charged to the profit and loss account. On revaluation of assets carried at fair value, accumulated depreciation at the date of valuation is taken to the statement of other comprehensive income.

Leasehold land is not depreciated. Depreciation on hotel buildings, fixtures and fittings is provided at rates calculated to write off the value/cost less estimated residual value of each asset over its expected useful life.

Major refurbishments would be classified as construction in progress and stated at cost. They would be reclassified and depreciated when the related assets are made available for use.

Depreciation is provided on the following basis:

Leasehold buildings	- Lesser of unexpired term of lease, estimated useful life and 50 years on building element
Fixtures and fittings	- Between 3 and 25 years

The carrying value of fixtures and fittings is reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable as well as at the end of each reporting period. Any impairment in the value of assets below depreciated cost is charged to the profit and loss account.

#### 3.9 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to sell.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the profit and loss account.

#### 3.10 Cash

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Bank overdrafts, when applicable, are shown within borrowings in current liabilities.

## **Gold Diamond D Regent's Park 2005 Ltd**

### **Notes to the financial statements for the year ended 31 December 2020**

#### **3. Accounting policies (continued)**

##### **3.11 Financial instruments**

###### **(i) Financial assets**

Basic financial assets, including trade and other debtors, amounts owed by group undertakings and cash and bank balances are initially recognised at transaction price. Such assets are subsequently measured at amortised cost using the effective interest method.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the profit and loss account.

###### **(ii) Financial liabilities**

Basic financial instruments, including trade and other creditors, amounts owed to group undertakings, loans from fellow group companies and bank loans are initially recognised at transaction price.

Trade creditors are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

###### **(iii) Offsetting**

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an 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.

##### **3.12 Foreign currency translation**

The company's functional and presentational currency is pound sterling.

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the profit and loss account.

##### **3.13 Operating leases: lessee**

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

##### **3.14 Management fees**

Management fees are paid to the hotel's operator and include a base fee, based upon a percentage of hotel revenue and recognised in the year in which the revenue is incurred.

## Gold Diamond D Regent's Park 2005 Ltd

### Notes to the financial statements for the year ended 31 December 2020

#### 4. Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

##### (i) Tangible assets

Tangible assets are revalued annually by independent valuers to assess the fair value of the hotel assets.

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 12 for the carrying amount of tangible assets.

##### (ii) Impairment of trade debtors

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 14 for the net carrying amount of the debtors and associated impairment provision.

##### (iii) Taxes

Determining income tax provisions involves judgements on the tax treatment of certain transactions. Deferred tax is recognised on tax losses not yet used on temporary differences where it is probable that there will be taxable income against which these can be offset. See note 17 for details of deferred tax recognised.

##### (iv) Contingent liabilities

The company considers the potential obligations which may be incurred as a result of past events and the uncertainty of the impact on the company. Where the company identifies a present obligation for which payment is probable and the amount can be reliably estimated a provision is recognised. See note 21 for details.

#### 5. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

An analysis of turnover by class of business is as follows:

	2020 £	2019 £
Room revenue	2,957,223	17,485,964
Food and beverages	380,167	1,572,989
Other income	449,259	1,115,336
	<u>3,786,649</u>	<u>20,174,289</u>

## Gold Diamond D Regent's Park 2005 Ltd

### Notes to the financial statements for the year ended 31 December 2020

#### 6. Operating (loss)/profit

The operating (loss)/profit is stated after charging:

	2020 £	2019 £
Depreciation of tangible assets (note 12)	3,774,366	3,466,608
Operating lease rentals	73,498	81,875

#### 7. Staff costs

The company had no employees other than the directors during the year ended 31 December 2020 or the previous financial year.

The directors did not receive or waive any emoluments in respect of their services to the company during the year ended 31 December 2020 or the previous financial year.

#### 8. Interest receivable

	2020 £	2019 £
Bank interest receivable	491	1,659

#### 9. Interest payable and similar charges

	2020 £	2019 £
Interest payable on bank loans	1,032,722	1,212,797
Loans from parent undertakings	446,117	473,752
Loan arrangement fees	73,769	73,666
Write off of loan arrangement fees	1,475	1,711
	1,554,083	1,761,926

# Gold Diamond D Regent's Park 2005 Ltd

## Notes to the financial statements for the year ended 31 December 2020

### 10. Taxation

	2020 £	2019 £
<b>Corporation tax</b>		
Current tax on (loss)/profit for the year	(606,904)	881,489
Adjustments in respect of previous periods	(217,833)	(2)
<b>Total current tax</b>	<b>(824,737)</b>	<b>881,487</b>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(354,064)	(262,148)
Impact of change in tax rate	366,848	27,594
Adjustment in respect of prior periods	(72,471)	(46,584)
<b>Total deferred tax</b>	<b>(59,687)</b>	<b>(281,138)</b>
<b>Taxation on (loss)/profit on ordinary activities</b>	<b>(884,424)</b>	<b>600,349</b>

#### Factors affecting tax (credit)/charge for the year

The tax assessed for the year is higher than (2019: lower than) the standard rate of corporation tax in the UK of 19% (2019: 19%). The differences are explained below:

	2020 £	2019 £
(Loss)/profit on ordinary activities before tax	(5,449,590)	3,177,995
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019: 19%)	(1,035,422)	603,819
<b>Effects of:</b>		
Expenses not deductible for tax purposes	56	303
Adjustments in respect of prior periods	(290,304)	(46,586)
Impact of change in tax rate	366,848	27,594
Group relief	-	(34,413)
Revaluation	74,398	49,632
<b>Total tax (credit)/charge for the year</b>	<b>(884,424)</b>	<b>600,349</b>

## Gold Diamond D Regent's Park 2005 Ltd

### Notes to the financial statements for the year ended 31 December 2020

#### 10. Taxation (continued)

##### Factors that may affect future tax charges

In the Spring Budget 2021, the Government announced that from 1 April 2023 the corporation tax rate will increase to 25%. As the proposal to increase the rate to 25% had not been substantively enacted at the balance sheet date, its effects are not included in these financial statements. However, it is likely that the overall effect of the change, had it been substantively enacted by the balance sheet date, would be to decrease the tax credit for the period by £3,340,604 and to increase the deferred tax liability by £3,340,604.

#### 11. Intangible assets

	Goodwill £
<b>Cost</b>	
At 1 January 2020 and 31 December 2020	<u>1,868,600</u>
<b>Amortisation</b>	
At 1 January 2020 and 31 December 2020	<u>1,868,600</u>
<b>Net book value</b>	
At 31 December 2020	<u>-</u>
At 31 December 2019	<u>-</u>

## Gold Diamond D Regent's Park 2005 Ltd

### Notes to the financial statements for the year ended 31 December 2020

#### 12. Tangible assets

	Leasehold land and buildings (At valuation) £	Fixtures and fittings (At cost) £	Construction in progress (At cost) £	Total £
<b>Valuation/cost</b>				
At 1 January 2020	86,632,870	24,370,952	3,687	111,007,509
Additions	90,584	96,403	16,140	203,127
Transfers between classes	10,411	4,655	(15,066)	-
Revaluation	(13,428,761)	-	-	(13,428,761)
Reversal of depreciation on revaluation	(2,050,597)	-	-	(2,050,597)
At 31 December 2020	<u>71,254,507</u>	<u>24,472,010</u>	<u>4,761</u>	<u>95,731,278</u>
<b>Accumulated depreciation</b>				
At 1 January 2020	-	13,007,509	-	13,007,509
Charge for the year	2,050,597	1,723,769	-	3,774,366
Reversal on revaluation	(2,050,597)	-	-	(2,050,597)
At 31 December 2020	<u>-</u>	<u>14,731,278</u>	<u>-</u>	<u>14,731,278</u>
<b>Net book value</b>				
At 31 December 2020	<u>71,254,507</u>	<u>9,740,732</u>	<u>4,761</u>	<u>81,000,000</u>
At 31 December 2019	<u>86,632,870</u>	<u>11,363,443</u>	<u>3,687</u>	<u>98,000,000</u>

Following a valuation by CBRE Hotels Ltd dated 31 December 2020, the directors have revalued the company's hotel asset to £81,000,000 (2019: £98,000,000). The valuation was carried out in accordance with the RICS Valuation - Professional Standards effective from January 2017. As at the valuation date, there continues to be an unprecedented set of circumstances caused by COVID-19 and an absence of relevant market evidence on which to base our judgements. The valuation is therefore reported as being subject to 'material valuation uncertainty', as set out in VPS 3 and VPGA 10 of the RICS Valuation – Global Standards.

The valuation has been incorporated into the financial statements, the resulting revaluation adjustment has been taken to the statement of other comprehensive income. The revaluation during the year ended 31 December 2020 resulted in a revaluation deficit of £13,428,761.

## Gold Diamond D Regent's Park 2005 Ltd

### Notes to the financial statements for the year ended 31 December 2020

#### 12. Tangible assets (continued)

If land and buildings had not been revalued they would have been included at the following amounts:

	2020 £	2019 £
Cost	39,685,939	39,584,944
Accumulated depreciation	(8,949,607)	(8,252,049)
<b>Net book value based on historical cost</b>	<b>30,736,332</b>	<b>31,332,895</b>

#### 13. Stocks

	2020 £	2019 £
Finished goods and goods for resale	8,689	31,035

#### 14. Debtors

	2020 £	2019 £
Trade debtors	76,278	763,998
Amounts owed by group undertakings	2,275,067	2,620,158
Other debtors	203,623	-
Prepayments and accrued income	133,826	306,852
Tax recoverable	739,681	-
	<b>3,428,475</b>	<b>3,691,008</b>

Trade debtors are stated after provisions for impairment of £2,612 (2019: £11,647).

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

Trade debtors, amounts owed by group undertakings and other debtors are financial assets measured at amortised cost.



## Gold Diamond D Regent's Park 2005 Ltd

### Notes to the financial statements for the year ended 31 December 2020

#### 15. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	345,893	426,136
Amounts owed to group undertakings	2,063,907	1,349,563
Corporation tax	-	538,950
Other taxation and social security	-	49,172
Other creditors	13,056	43,100
Accruals and deferred income	449,146	1,586,794
	<u>2,872,002</u>	<u>3,993,715</u>

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

Trade creditors, amounts owed to group undertakings, other creditors and accruals are financial liabilities measured at amortised cost.

#### 16. Creditors: Amounts falling due after more than one year

	2020 £	2019 £
Bank loans (net of issue costs)	40,762,834	40,689,066
Loan from parent undertaking	6,466,091	6,466,091
	<u>47,228,925</u>	<u>47,155,157</u>

The bank loan is repayable on 3 August 2022. Interest is payable quarterly at LIBOR 3mGBP plus 2.15% and included within accruals in creditors due within one year. Loan arrangement fees of £386,400 were capitalised and are being amortised over the loan term. The loan is shown net of these deferred fees. At 31 December 2020, the unamortised arrangement fees were £110,857 (2019: £184,625).

During the year, an amount of £Nil (2019: £Nil) was repaid on the principal amount of the bank loan.

The company is party to a loan agreement with Silver Diamond TEHC24 SÁrl, the immediate parent undertaking. The loan is repayable on 17 April 2024 or within 4 years and 350 days from the date of agreement with 30 days written notice.

Interest is payable quarterly at LIBOR 3mGBP plus 6.51% and included within amounts owed to group undertakings, as a creditor due within 1 year.

As a result of the changing economic and business circumstances due to the COVID-19 outbreak the directors of the company have considered the impact on the company's ability to meet its loan covenants as well as its obligations as they fall due.

## Gold Diamond D Regent's Park 2005 Ltd

### Notes to the financial statements for the year ended 31 December 2020

#### 16. Creditors: Amounts falling due after more than one year (continued)

A covenant waiver was provided by the bank from 26 March 2020 to and including 31 December 2020 subject to certain conditions. A new waiver letter has been signed on 18 March 2021 extending the waiver period to March 2022 and for which Tamweelview European Holdings SA has provided a 12 months interest shortfall guarantee. The waiver avoids any breach of the debt to EBITDA and interest cover ratio covenants until the first quarter of 2022, preventing any event of default.

The parent undertaking, Tamweelview European Holdings SA, has given a written undertaking that it has the capacity and intention to continue supporting the company to allow it to meet its liabilities as they fall due for 12 months from the approval of these financial statements (see note 3.1 for further details).

#### 17. Deferred taxation

	2020 £	2019 £
At 1 January	(11,700,773)	(10,125,835)
Credited to the profit and loss account	59,687	281,138
Credited/(charged) to other comprehensive income	1,062,507	(1,856,076)
<b>At 31 December</b>	<b>(10,578,579)</b>	<b>(11,700,773)</b>

The deferred tax liability is made up as follows:

	2020 £	2019 £
Fixed asset timing differences	(385,130)	(375,308)
Trading timing differences	5,510	-
Revaluations	(10,198,959)	(11,325,465)
	<b>(10,578,579)</b>	<b>(11,700,773)</b>

A deferred tax asset of £3,672,277 (2019: £2,932,186) arising from capital and trading losses has not been recognised as there is insufficient evidence of future taxable profits to confirm recoverability in the foreseeable future.

# Gold Diamond D Regent's Park 2005 Ltd

## Notes to the financial statements for the year ended 31 December 2020

### 18. Share capital

	2020 £	2019 £
<b>Allotted, called up and fully paid</b>		
21,014,262 (2019: 19,381,950) ordinary shares of £1 each	<b>21,014,262</b>	<b>19,381,950</b>

On 17 December 2020, the company issued 1,632,312 ordinary shares of £1 each, for a total consideration of £1,632,312.

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.

### 19. Capital commitments

At 31 December the company had capital commitments as follows:

	2020 £	2019 £
Contracts placed for future capital expenditure not provided in the financial statements	<b>48,010</b>	<b>69,447</b>

### 20. Commitments under operating leases

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

	2020 £	2019 £
Not later than 1 year	<b>49,378</b>	<b>51,275</b>
Later than 1 year and not later than 5 years	<b>168,982</b>	<b>183,657</b>
Later than 5 years	<b>320,145</b>	<b>353,880</b>
	<b>538,505</b>	<b>588,812</b>

### 21. Contingent liabilities

The company and several fellow group undertakings entered into a facility agreement with a number of third parties, in respect of a bank loan.

This loan is secured by way of a fixed and floating charge over the present and future property and assets of this company and the property and assets of the fellow group undertakings.

The directors do not anticipate the security being called in.

## Gold Diamond D Regent's Park 2005 Ltd

### Notes to the financial statements for the year ended 31 December 2020

#### 22. Related party transactions

The company is exempt from disclosing related party transactions with companies that are wholly owned within the Tamweelview European Holdings SA group.

#### 23. Immediate and ultimate parent undertakings and controlling party

The immediate parent undertaking is Silver Diamond TEHC24 Sàrl, a company registered in Luxembourg. Silver Diamond TEHC24 Sàrl is the parent undertaking of the smallest group to consolidate these financial statements.

Tamweelview European Holdings SA, a company registered in Luxembourg is the parent undertaking of the largest group to consolidate these financial statements, copies of which are available from 2C rue Albert Borschette, L-1246 Luxembourg, Grand Duchy of Luxembourg.

The ultimate parent undertaking is Silver Holdings SA, a company registered in Luxembourg.

The ultimate controlling entity is the Abu Dhabi Investment Authority, registered in United Arab Emirates.

#### 24. Analysis of net debt

	At 1 January 2020 £	Cash flows £	Non-cash changes £	At 31 December 2020 £
Cash at bank and in hand	205,831	(184,368)	-	21,463
Debt due after one year	(40,689,066)	-	(73,768)	(40,762,834)
	<u>(40,483,235)</u>	<u>(184,368)</u>	<u>(73,768)</u>	<u>(40,741,371)</u>

( Non-cash changes on debt represent the amortisation of prepaid loan arrangement fees:

#### 25. Post balance sheet events

As a result of the UK nationwide lockdown the hotel operated under this entity was non-operational or operating at a lower capacity for the first months of 2021. The hotel fully reopened in May 2021.

The UK Government's vaccine programme provides confidence that the end of the pandemic is in sight and that the hotels will gradually recover to previous levels of occupancy.

In the Government's Budget statement of 3 March 2021, the extension of Business Rates relief for Retail, Hospitality & Leisure and Coronavirus Job Retention Scheme was announced.