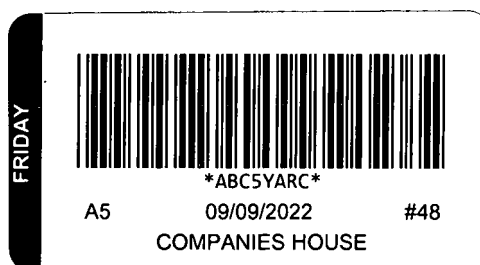


Gold Diamond D St. Pierre 2005 Ltd

**Annual report and financial statements
for the year ended 31 December 2021**



Gold Diamond D St. Pierre 2005 Ltd

Company information

Directors

S. Al Dhaheri
K. Al Khajeh
M. Al Mansoori
J. Anand
D. Ayyar - alternate
M. Foxon
S. Al Hallami - alternate
A. Al Ketbi

Registered number

FC026321

Registered office

Ritter House
Wickhams Cay II
Road Town
Tortola
British Virgin Islands

UK Establishment office

C/O TMF Group
8th Floor
20 Farringdon Street
London
EC4A 4AB

Gold Diamond D St. Pierre 2005 Ltd

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Gold Diamond D St. Pierre 2005 Ltd

Directors' report for the year ended 31 December 2021

The directors present their report and the unaudited financial statements of the company for the year ended 31 December 2021.

Principal activity

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

Results and dividends

The profit for the year, after taxation, amounted to £701,422 (2020: loss £2,502,362).

The directors do not recommend the payment of a final dividend for the year ended 31 December 2021 (2020: £Nil).

The operations and business activities of the company have continued to be impacted by the COVID-19 outbreak. The hotel in the United Kingdom operated under this entity was non-operational in Q1 2021. The hotel re-opened in Q2 and has remained open since but has operated at a lower capacity/occupancy throughout the year.

The hotel's operator continued to benefit from the extended Coronavirus Job Retention Scheme and the Business Rates relief for Retail, Hospitality & Leisure which have helped to improve operational results. Nonetheless, COVID-19 restrictions in the early part of the year, both in the UK and the source markets, significantly impacted performance in the first quarter of the year, resulting in working capital funding in the form of equity injections of £901,666 being required in 2021.

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 liabilities position and the parent undertaking, Tamweelview European Holdings SA has given a written statement that it has the capacity 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 ("the going concern period"). Therefore, the directors believe that the company has sufficient financial resources to meet its liabilities as and when they fall due and accordingly these financial statements have been prepared on a going concern basis.

Directors

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

S. Al Dhaheri
S. Al Darmaki (resigned 8 April 2021)
K. Al Khajeh
M. Al Mansoori
J. Anand
D. Ayyar - alternate
M. Foxon
A. Garrod - alternate (resigned 10 March 2021)
S. Al Hallami - alternate (appointed 8 April 2021)
A. Al Ketbi (appointed 8 April 2021)

Gold Diamond D St. Pierre 2005 Ltd

Directors' report (continued) for the year ended 31 December 2021

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

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 they have elected to prepare the financial statements in accordance with applicable law and Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (UK Generally Accepted Accounting Practice applicable to Smaller Entities).

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 to 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 misstatements, 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.

Small company exemption

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


The directors have also taken advantage of the small company exemptions provided by section 414B of the Companies Act 2006 and have not prepared a strategic report.

This report was approved by the board on

01 July 2022 and signed on its behalf by:


Sultan Dha... (01 Jul 2022 23:24 GMT+4)

Sultan Ali Ahmed Hamad AIDhaheri
Director


Abdulla AlKetbi (01 Jul 2022 14:47 GMT+4)

Abdulla Heyab Matar Saeed AlKetbi
Director

Gold Diamond D St. Pierre 2005 Ltd

Profit and loss account for the year ended 31 December 2021

	Note	2021 £	2020 £
Turnover	5	5,930,323	3,116,291
Cost of sales		(3,357,137)	(2,213,118)
Gross profit		2,573,186	903,173
Administrative expenses		(2,375,024)	(2,431,267)
Impairment reversal/(charge) - tangible assets	6	652,430	(520,222)
Operating profit/(loss)		850,592	(2,048,316)
Interest receivable		3	491
Interest payable and similar charges		(149,173)	(163,606)
Profit/(loss) before taxation		701,422	(2,211,431)
Taxation on profit/(loss) for the financial year	8	-	(290,931)
Profit/(loss) for the financial year		701,422	(2,502,362)

There were no recognised gains and losses for 2021 or 2020 other than those included in the profit and loss account.

The notes on pages 6 to 18 form part of these financial statements.

Gold Diamond D St. Pierre 2005 Ltd

Registered number: FC026321

Balance sheet as at 31 December 2021

	Note	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Intangible assets	9	-	-	-	-
Tangible assets	10	6,600,000	6,200,000	6,200,000	6,200,000
		<u>6,600,000</u>	<u>6,200,000</u>		
Current assets					
Stocks	11	79,237	63,606	63,606	63,606
Debtors	12	304,096	258,511	258,511	258,511
Cash at bank and in hand		40,693	3,611	3,611	3,611
		<u>424,026</u>	<u>325,728</u>		
Creditors: Amounts falling due within one year	13	(6,348,220)	(3,469,839)	(3,469,839)	(3,469,839)
Net current liabilities		<u>(5,924,194)</u>	<u>(3,144,111)</u>		
Total assets less current liabilities		<u>675,806</u>	<u>3,055,889</u>		
Creditors: Amounts falling due after more than one year	14	(782,823)	(4,765,994)	(4,765,994)	(4,765,994)
Net liabilities		<u>(107,017)</u>	<u>(1,710,105)</u>		
Capital and reserves					
Called up share capital	15	3,036,638	2,134,972	2,134,972	2,134,972
Retained earnings		(3,143,655)	(3,845,077)	(3,845,077)	(3,845,077)
Total deficit		<u>(107,017)</u>	<u>(1,710,105)</u>		

These financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the provisions of Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' as amended by Section 1A 'Small Entities'.

The financial statements on pages 3 to 18 were approved and authorised for issue by the board on 01 July 2022 and were signed on its behalf by:

Sultan Dhaheer (01/07/2022 23:24 GMT+4)

Sultan Ali Ahmed Hamad AIDhaheer
Director

Abdulla AlKetbi (01/07/2022 14:47 GMT+4)

Abdulla Heyab Matar Saeed AlKetbi
Director

The notes on pages 6 to 18 form part of these financial statements.

Gold Diamond D St. Pierre 2005 Ltd

Statement of changes in equity for the year ended 31 December 2021

	Called up share capital £	Retained earnings £	Total deficit £
At 1 January 2021	2,134,972	(3,845,077)	(1,710,105)
Comprehensive income for the year			
Profit for the financial year	-	701,422	701,422
Contributions by and distributions to owners			
Issue of share capital	901,666	-	901,666
At 31 December 2021	3,036,638	(3,143,655)	(107,017)

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

	Called up share capital £	Retained earnings £	Total deficit £
At 1 January 2020	1,956,261	(1,342,715)	613,546
Comprehensive expense for the year			
Loss for the financial year	-	(2,502,362)	(2,502,362)
Contributions by and distributions to owners			
Issue of share capital	178,711	-	178,711
At 31 December 2020	2,134,972	(3,845,077)	(1,710,105)

The notes on pages 6 to 18 form part of these financial statements.

Gold Diamond D St. Pierre 2005 Ltd

Notes to the financial statements for the year ended 31 December 2021

1. General information

Gold Diamond D St. Pierre 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 St. Pierre 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', as amended by Section 1A 'Small Entities' ('FRS 102') and 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.

Going concern:

The financial statements have been prepared on the going concern basis for the following reasons. The operations and business activities of the company have been impacted by the COVID-19 outbreak. The hotel in the United Kingdom re-opened in Q2 2021 and has remained open since but has operated at a lower capacity/occupancy throughout the year.

The directors have considered cash flows projections for the company for at least 12 months from date of signing which indicate that under severe but plausible downside scenarios, the company will have sufficient funds, through funding from its indirect parent undertakings to meet its liabilities as they fall due for that period.

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 £4 million is allocated to the company.

The financial covenants on this cross guaranteed debt facility 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 letter was signed on 18 March 2021 with a waiver period to March 2022. On 18 March 2022 the waiver was extended to the final loan repayment date in August 2022. The waiver avoids any breach of the debt to EBITDA and interest cover ratio covenants until the final repayment date, preventing any event of default.

Notes to the financial statements for the year ended 31 December 2021

3. Accounting policies (continued)

3.1 Basis of preparation of financial statements (continued)

The directors of the company intend to repay the existing facility in full in advance of the maturity date. Active discussions with two new lenders, First Abu Dhabi Bank and Société Generale, are ongoing. First Abu Dhabi and Société Generale would be providing a c.£446m facility to the portfolio entities in order to (i) repay their existing indebtedness with Credit Agricole Corporate and Investment Bank and (ii) provide the company with access to general working capital. As of the date of the approval of these financial statements, the term sheet has been agreed initially and it is expected to be finalised in July 2022. It is expected that by the time of the refinancing with First Abu Dhabi and Société Generale, and as a result of an internal restructuring of the portfolio to which the company belongs, the company will be a subsidiary of a new parent incorporated and existing in the Abu Dhabi Global Market (see note 21).

The intermediate parent undertaking, Tamweelview European Holdings SA, has given a written statement that it will not seek repayment of the intercompany payables and provide financial support as and if needed, including the repayment of the portfolio debt, if required to allow the company to continue its operations for a period of 12 months from the approval of these financial statements ("the going concern period").

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.

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.

Therefore the directors believe that the company has access to sufficient financial resources to support the business to meet its liabilities 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.

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.

Gold Diamond D St. Pierre 2005 Ltd

Notes to the financial statements for the year ended 31 December 2021

3. Accounting policies (continued)

3.4 Interest receivable

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

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 St. Pierre 2005 Ltd

Notes to the financial statements for the year ended 31 December 2021

3. Accounting policies (continued)

3.8 Tangible assets

Tangible assets include freehold 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.

Freehold 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:

Freehold buildings	- Lesser of estimated useful life and 50 years
Fixtures and fittings	- Between 3 and 25 years

The carrying value of fixtures, fittings and equipment 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.

**Notes to the financial statements
for the year ended 31 December 2021**

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 St. Pierre 2005 Ltd

Notes to the financial statements for the year ended 31 December 2021

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 10 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 12 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 15 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 19 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:

	2021 £	2020 £
Room revenue	2,443,487	1,183,933
Food and beverages	1,973,379	900,824
Other income	1,513,457	1,031,534
	<u>5,930,323</u>	<u>3,116,291</u>

Gold Diamond D St. Pierre 2005 Ltd

Notes to the financial statements for the year ended 31 December 2021

6. Exceptional items

	2021 £	2020 £
Impairment reversal/(charge) - tangible assets (note 10)	<u>652,430</u>	<u>(520,222)</u>

Impairment reversal/(charge) - tangible assets

The directors have considered the carrying value of the company's hotel asset following a valuation by CBRE Hotels Ltd dated 31 December 2021 carried out in accordance with the RICS valuation - Professional Standards effective from January 2017. This resulted in an impairment reversal of £652,430 (2020: charge of £520,222).

7. Staff costs

The company had no employees other than the directors during the year ended 31 December 2021 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 2021 or the previous financial year.

Gold Diamond D St. Pierre 2005 Ltd

Notes to the financial statements for the year ended 31 December 2021

8. Taxation

There is no current tax for the financial year ended 31 December 2021 or the previous financial year.

	2021 £	2020 £
Deferred tax		
Origination and reversal of timing differences	-	325,158
Impact of change in tax rate	-	(34,227)
Taxation on loss on ordinary activities	<u>-</u>	<u>290,931</u>

Factors affecting tax charge for the year

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

	2021 £	2020 £
Profit/(loss) on ordinary activities before tax	<u>701,422</u>	<u>(2,211,431)</u>
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020: 19%)	133,270	(420,172)
Effects of:		
Expenses not deductible for tax purposes	5,965	22
Unrecognised deferred tax	(15,305)	646,421
Impairment - tangible assets	(123,930)	98,887
Impact of change in tax rate	-	(34,227)
Total tax charge for the year	<u>-</u>	<u>290,931</u>

Factors that may affect future tax charges

In the Spring Budget 2021, the UK Government announced that from 1 April 2023 the corporation tax rate would increase to 25% (rather than remaining at 19%, as previously enacted). This new law was substantively enacted on 24 May 2021. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

Gold Diamond D St. Pierre 2005 Ltd

Notes to the financial statements for the year ended 31 December 2021

9. Intangible assets

	Goodwill £
Cost	
At 1 January 2021 and 31 December 2021	1,769,743
Amortisation	
At 1 January 2021 and 31 December 2021	1,769,743
Net book value	
At 31 December 2021	-
At 31 December 2020	-

10. Tangible assets

	Freehold land and buildings (At valuation) £	Fixtures and fittings (At cost) £	Construction in progress (At cost) £	Total £
Valuation/cost				
At 1 January 2021	4,374,791	12,735,144	187,613	17,297,548
Additions	85,827	58,927	20,892	165,646
Disposals	-	-	(112,218)	(112,218)
Transfers between classes	-	7,804	(7,804)	-
Revaluation	652,430	-	-	652,430
Reversal of depreciation on revaluation	(168)	-	-	(168)
At 31 December 2021	5,112,880	12,801,875	88,483	18,003,238
Accumulated depreciation				
At 1 January 2021	-	11,097,548	-	11,097,548
Charge for the year	168	305,690	-	305,858
Reversal on revaluation	(168)	-	-	(168)
At 31 December 2021	-	11,403,238	-	11,403,238
Net book value				
At 31 December 2021	5,112,880	1,398,637	88,483	6,600,000
At 31 December 2020	4,374,791	1,637,596	187,613	6,200,000

Gold Diamond D St. Pierre 2005 Ltd

Notes to the financial statements for the year ended 31 December 2021

10. Tangible assets (continued)

Following a valuation by CBRE Hotels Ltd dated 31 December 2021, the directors have revalued the company's hotel asset to £6,600,000 (2020: £6,200,000). The valuation was carried out in accordance with the RICS Valuation - Professional Standards effective from January 2017.

The fair value was measured on the basis of future earning potential. CBRE Hotels Ltd prepare an income and expenditure forecast which is then capitalised using a discounted cash flow model. The capitalisation rate is selected by taking into account market transactions and factors such as age, location and condition of the property. Any capital expenditure, which an investor would require to spend in the foreseeable future, would be deducted from the investment value. The key assumptions applied in determining the fair value of the hotel asset are discount rate, terminal cap rate and long term growth rate.

The valuation has been incorporated into the financial statements; the resulting impairment reversal has been taken to the profit and loss account. The revaluation during the year ended 31 December 2021 resulted in a revaluation surplus of £652,430.

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

	2021 £	2020 £
Cost	12,268,438	12,182,611
Accumulated depreciation/ impairment	(7,155,558)	(7,807,820)
Net book value based on historic cost	5,112,880	4,374,791

11. Stocks

	2021 £	2020 £
Finished goods and goods for resale	79,237	63,606

12. Debtors

	2021 £	2020 £
Trade debtors	168,458	26,750
Other debtors	71,769	177,595
Prepayments and accrued income	53,615	43,912
Tax recoverable	10,254	10,254
	304,096	258,511

Trade debtors are stated after provisions for impairment of £2,577 (2020: £10,132).

Gold Diamond D St. Pierre 2005 Ltd

Notes to the financial statements for the year ended 31 December 2021

13. Creditors: Amounts falling due within one year

	2021 £	2020 £
Bank overdrafts	-	6,454
Bank loans (net of issue costs)	3,990,389	-
Trade creditors	205,983	126,838
Amounts owed to group undertakings	1,271,695	2,676,856
Other creditors	14,322	15,337
Accruals and deferred income	865,831	644,354
	<u>6,348,220</u>	<u>3,469,839</u>

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

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.

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 £39,719 were capitalised and are being amortised over the loan term. The loan is shown net of these deferred fees. At 31 December 2021, the unamortised arrangement fees were £3,614 (2020: £10,832).

A covenant waiver letter was signed on 18 March 2021 with a waiver period to March 2022. The waiver has been extended on 18 March 2022 to the final repayment date for which Tamweelview European Holdings SA (an intermediate parent undertaking) has provided a written support as a debt guarantee until the final repayment date of the loan. The waiver avoids any breach of the debt to EBITDA and interest cover ratio covenants until the final repayment date, preventing any event of default.

The directors intend to repay the existing facility in full in advance of the maturity date and are in active discussions with two new lenders, First Abu Dhabi Bank and Société Générale. The new debt facility is approximately £446 million. As of the date of the approval of these financial statements, the term sheet has been agreed initially and it is expected to be finalised in July 2022.

The parent undertaking, Tamweelview European Holdings SA, has given a written statement that it has the capacity 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).

Subsequent to 31 December 2021, a fundamental reform of major interest rate benchmarks is being undertaken globally, including the replacement of some interbank offered rates (IBORs) with alternative nearly risk-free rates (referred to as 'IBOR reform'). The existing bank loan will be transitioned from LIBOR on 1 January 2022. The impact of this is not expected to be material given the fact that the loan is repayable in August 2022.

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Notes to the financial statements for the year ended 31 December 2021

14. Creditors: Amounts falling due after more than one year

	2021 £	2020 £
Bank loans (net of issue costs)	-	3,983,171
Amounts owed to group undertakings	782,823	782,823
	<u>782,823</u>	<u>4,765,994</u>

The bank loan is repayable on 3 August 2022 and has accordingly been reclassified to Creditors: Amounts falling due within one year.

The company is party to a loan agreement with Silver Diamond TEHC24 Sàrl, 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 one year.

15. Share capital

	2021 £	2020 £
Allotted, called up and fully paid		
3,036,638 (2020: 2,134,972) ordinary shares of £1 each	3,036,638	2,134,972
	<u>3,036,638</u>	<u>2,134,972</u>

On 21 December 2021, the company issued 901,666 ordinary shares of £1 each, for a total consideration of £901,666.

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.

16. Capital commitments

At 31 December the company had capital commitments as follows:

	2021 £	2020 £
Contracts placed for future capital expenditure not provided in the financial statements	132,313	21,370
	<u>132,313</u>	<u>21,370</u>

Gold Diamond D St. Pierre 2005 Ltd

Notes to the financial statements for the year ended 31 December 2021

17. Commitments under operating leases

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

	2021 £	2020 £
Not later than 1 year	<u>373</u>	<u>5,728</u>

18. 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.

19. 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.

20. 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.

21. Post balance sheet events

In May 2022 a restructure was internally approved whereby the entity will be subject to a sale by its immediate parent entity, Silver Holdings TEHC 24 Sarl, to Platinum Dunes C 2019 RSC Limited, a company under the common control of its ultimate parent company. The sale is proposed to be executed at par value and is expected in Q3. This sale will not affect a change to the ultimate controlling party.