

# Selene Holdings Limited

Directors' report and financial statements

Year ended 31 December 2018

**Registered number: 10998812**



# Selene Holdings Limited

<i>Contents</i>	<i>Page</i>
Directors and other information	1
Directors' report	2
Statement of directors' responsibilities	4
Independent auditor's report	5
Statement of comprehensive income	8
Balance sheet	9
Statement of changes in equity	10
Notes forming part of the financial statements	11

# Selene Holdings Limited

## Directors and other information

<b>Directors</b>	Fady Bakhos Liam Cunningham
<b>Registered office</b>	27 Knightsbridge London SW1X 7LY
<b>Auditor</b>	Ernst & Young LLP 1 More London Place London SE1 2AF
<b>Bankers</b>	Barclays Bank 1 Churchill Place London E14 5HP  Allied Irish Bank (GB) City Office 9-10 Angel Court London EC2R 7AB
<b>Solicitors</b>	MacFarlanes LLP 10 Norwich Street London EC4A 1BD
<b>Registered Number</b>	10998812

# Selene Holdings Limited

## Directors' report

The directors present their report and the audited financial statements for the year ended 31 December 2018.

### Activities

The principal activity of the company is that of a holding company of companies operating in the hotel and restaurant industry.

### Review of developments and future prospects

The statement of comprehensive income is set out on page 8. The loss for the year ended 31 December 2018 before taxation was £116.8 million (2017: £nil).

Selene Midco Limited, the Company's direct subsidiary ("the subsidiary"), transacted a debt for equity swap during the year by issuing significantly more shares to the company's intermediate parent undertaking. As a result the Company's shareholding in the subsidiary has been significantly diluted and as such it no longer controls the subsidiary. As a result of this group reorganisation the company's investment in Selene Midco has been impaired to £1.

The directors expect that the company will not trade for the foreseeable future.

### Dividends

During the year no dividends have been paid or proposed (2017: £nil).

### Directors and their interests

The directors who held office during the year were as follows:

Liam Cunningham  
Fady Bakhos

The directors and secretary do not hold any material interests in the shares of the company or any other company in the group.

### Disclosure of information to auditors

The directors who were members of the board at the time of approving the directors' report are listed on page 1. Having made enquiries of fellow directors and of the Company's auditors, each of these directors confirms that:

- to the best of each director's knowledge and belief, there is no information (that is, information needed by the Company's auditors in connection with preparing their report) of which the Company's auditors are unaware; and
- each director has taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the company's auditors are aware of that information.

### Political and charitable contributions

The company made no political or charitable contributions during the year.

# Selene Holdings Limited

## Directors' report (*continued*)

### **Going Concern**

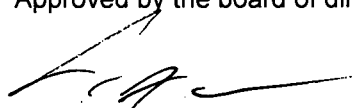
The group headed by the company's intermediate parent company, Constellation Hotels Holding Ltd S.C.A ('the Group'), has considerable financial resources. As a consequence, the directors believe that the Group is well placed to manage its business risks successfully.

After making enquiries, and taking into account the support also assured by Constellation Hotels Holding Ltd S.C.A, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

### **Auditor**

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be re-appointed and Ernst & Young LLP will therefore continue in office.

Approved by the board of directors and signed on behalf of the board by:



Liam Cunningham  
*Director*

26 September 2019

# Selene Holdings Limited

## Statement of directors' responsibilities

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 UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice) including FRS 101 *Reduced Disclosure Framework*.

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 estimates that are reasonable and prudent; and
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

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 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

On behalf of the board



Liam Cunningham  
Director

26 September 2019

## Independent auditor's report to the members of Selene Holdings Limited

### Opinion

We have audited the financial statements of Selene Holdings Limited for the year ended 31 December 2018 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 10 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 FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

## Independent auditor's report to the members of Selene Holdings Limited *(continued)*

### **Other information *(continued)***

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the 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.

### **Matters on which we are required to report by exception**

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

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement set out on page 4, 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.



## Independent auditor's report to the members of Selene Holdings Limited *(continued)*

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

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

A further description of our responsibilities for the audit of the financial statements is located 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.

Handwritten signature in cursive script that reads "Ernst & Young LLP".

Rebecca Turner (Senior statutory auditor)  
for and on behalf of Ernst & Young LLP, Statutory Auditor  
1 More London Place  
London  
SE1 2AF

27 September 2019

# Selene Holdings Limited

Registered number: 10998812

## Statement of comprehensive income

for the year ended 31 December 2018

	Note	2018 £'000	2017 £'000
Administrative expenses		-	-
<b>Operating profit – continuing operations</b>		-	-
Impairment of investment	4	(116,796)	-
<b>Loss on ordinary activities before tax</b>		(116,796)	-
Tax on profit on ordinary activities	5	-	-
<b>Loss for the financial year</b>		(116,796)	-

The company had no other comprehensive income in the financial year or preceding financial year other than those dealt with in the profit and loss account. All activities in the current year and preceding year are derived from continuing operations.

# Selene Holdings Limited

Registered number: 10998812

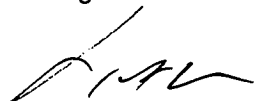
## Balance sheet

as at 31 December 2018

	Note	2018 £'000	2017 £'000
<b>Fixed assets</b>			
Investments	6	-	116,796
		<hr/>	<hr/>
<b>Total assets less current liabilities</b>		-	116,796
		<hr/>	<hr/>
<b>Net assets</b>		-	116,796
		<hr/> <hr/>	<hr/> <hr/>
<b>Capital and reserves</b>			
Called up share capital	9	-	-
Profit and loss account		-	116,796
		<hr/>	<hr/>
<b>Shareholders' funds</b>		-	116,796
		<hr/> <hr/>	<hr/> <hr/>

These financial statements were approved by the board of directors on 26 September 2019.

Signed on behalf of the board of directors by



Liam Cunningham  
Director

# Selene Holdings Limited

Registered number: 10998812

## Statement of changes in equity

for the year ended 31 December 2018

	Share capital £'000	Retained earnings £'000	Total £'000
<b>On incorporation at 5 October 2017</b>	-	-	-
Profit for the financial year	-	-	-
Capital contribution	-	116,796	116,796
	<hr/>	<hr/>	<hr/>
<b>At 31 December 2017</b>	-	<b>116,796</b>	<b>116,796</b>
Loss for the financial year	-	(116,796)	(116,796)
Other comprehensive income	-	-	-
	<hr/>	<hr/>	<hr/>
<b>Balance at 31 December 2018</b>	-	-	-
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The accompanying notes form an integral part of the financial statements.

# Selene Holdings Limited

## Notes

*forming part of the financial statements*

### 1 Statement of compliance

Selene Holdings Limited is a company incorporated and domiciled in the England and Wales. The company's registered office is 27 Knightsbridge, London, SW1X 7LY.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101"). These financial statements are presented in sterling, being the functional currency of the company. All financial information presented in sterling has been rounded to the nearest thousand, except where otherwise stated.

### 2 Significant accounting policies

#### Basis of preparation

In preparing these financial statements, the company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("EU IFRS"), but makes amendments where necessary in order to comply with the Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

In these financial statements, the company has adopted certain disclosure exemptions available under FRS 101. These include:

- the requirements of paragraphs 45(b) and 46 to 52 of IFRS 2 Share-based Payment;
- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91 to 99 of IFRS 13 Fair Value Measurement;
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers;
- the requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of:
  - paragraph 73(e) of IAS 16 Property, Plant and Equipment; and
  - paragraph 118(e) of IAS 38 Intangible Assets;
- the requirements of paragraphs 10(d), 16 and 11 of IAS 1 Presentation of Financial Statements;
- the requirements of paragraphs 134 to 136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraphs 17 of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group;
- the requirements of paragraphs 130(f), 134(d to f) and 135(c to e) of IAS 36 Impairments of Assets.

The Company is not required to prepare consolidated accounts as it no longer holds subsidiaries. The results of the Company are included in the publicly available consolidated financial statements of Prime Capital S.A., a company incorporated in Luxembourg.

As the consolidated financial statements of Prime Capital S.A include the equivalent disclosures, the company has also taken the exemption under FRS 101 available in respect of the following:

- Certain disclosures required by IFRS 13 *Fair Value Measurement* and the disclosures required by IFRS 7 *Financial Instrument Disclosures*; and
- Certain disclosures required by IAS 36 *Impairment of Assets*.

# Selene Holdings Limited

## Notes *(continued)*

### 2 Significant accounting policies *(continued)*

#### **Basis of measurement**

The financial statements have been prepared on the historical cost basis.

#### **Functional currency**

These financial statements are presented in sterling, being the functional currency of the company. All financial information presented in sterling has been rounded to the nearest thousand, except where otherwise stated.

#### **Foreign currency**

Transactions in foreign currencies are translated to the functional currency of the company at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated to the functional currency at the exchange rate when the fair value was determined. Foreign currency differences are generally recognised in profit or loss. Non-monetary items that are measured based on historical cost in a foreign currency are not translated.

#### **Use of estimates and judgements**

In preparing these financial statements management has made judgements, estimates and assumptions that affect application of the company accounting policies and the reported amounts of assets, liabilities, income and expenses. Such estimates and judgements are based on historical experience and other factors, including expectation of future events that are believed to be reasonable. Actual outcomes may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

#### **Going concern**

The financial statements have been prepared on the going concern basis.

The group headed by the company's intermediate parent company, Constellation Hotels Holding Ltd S.C.A ('the Group'), has considerable financial resources. As a consequence, the directors believe that the Group is well placed to manage its business risks successfully.

After making enquiries, and taking into account the support also assured by Constellation Hotels Holding Ltd S.C.A, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

#### **Tax**

The income tax expense comprises current and deferred tax. It is recognised in the income statement except to the extent that it relates to items recognised in OCI or directly in equity, in which case it is recognised in OCI or directly in equity.

# Selene Holdings Limited

## Notes *(continued)*

### 2 Significant accounting policies *(continued)*

#### Tax *(continued)*

Current tax is the expected tax payable on the taxable income for the year using tax rates and laws that have been enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: those differences arising from the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that the Group is able to control the timing of reversal and it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill.

A deferred tax asset is recognised to the extent that it is probable future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

#### Provisions

A provision is recognised in the balance sheet when the company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

#### Interest receivable and interest payable

Interest payable and similar charges include interest payable, finance charges on shares classified as liabilities and finance leases recognised in profit or loss using the effective interest method, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the profit or loss (see foreign currency accounting policy). Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial time to be prepared for use, are capitalised as part of the cost of that asset. Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method. Dividend income is recognised in the profit and loss account on the date the entity's right to receive payments is established. Foreign currency gains and losses are reported on a net basis.

# Selene Holdings Limited

## Notes *(continued)*

### 2 Significant accounting policies *(continued)*

#### Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

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

###### *Initial recognition and measurement*

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through the statement of profit or loss and other comprehensive income. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the company has applied the practical expedient, the company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through the statement of profit or loss and other comprehensive income, transaction costs.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in the statement of profit or loss and other comprehensive income when the asset is derecognised, modified or impaired.

###### *Subsequent measurement*

The company measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in the statement of profit or loss and other comprehensive income when the asset is derecognised, modified or impaired.

###### *Derecognition*

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is primarily derecognised (i.e., removed from the company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.



# Selene Holdings Limited

## Notes (continued)

### 2 Significant accounting policies (continued)

#### Financial instruments (continued)

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

#### *Impairment of financial assets*

The company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through the statement of profit or loss and other comprehensive income. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the company expects to receive, discounted at an approximation of the original effective interest rate. For trade receivables and some intercompany loans, the company applies a simplified approach in calculating ECLs. Therefore, the company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

The company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the company may also consider a financial asset to be in default when internal or external information indicates that the company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

#### (ii) Financial liabilities

#### *Initial recognition and measurement*

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through the statement of profit or loss and other comprehensive income, loans and borrowings, or payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

#### *Subsequent measurement – loans and borrowings*

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit or loss and other comprehensive income when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss and other comprehensive income.

#### *Derecognition*

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss and other comprehensive income.

#### Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects. Ordinary dividends are recognised in the period in which they are paid to shareholders.

# Selene Holdings Limited

## Notes *(continued)*

### 2 Significant accounting policies *(continued)*

#### **New and amended standards adopted by the Company**

For the period beginning on 1 January 2018 the Company has adopted IFRS 9 Financial Instruments and IFRS 15 Revenue from Contracts with Customers for the first time. The adoption of these new standards and other amendments to existing standards and interpretations effective from 1 January 2018, did not materially impact the financial statements for the 12 months ended 31 December 2018 and no retrospective adjustments were made.

#### **IFRS 15 “Revenue from Contracts with Customers”**

IFRS 15 replaced the existing regulations for the recognition of revenue in accordance with IAS 18 “Revenue”. Consequently, revenues are recognised, when the customer obtains control over the agreed goods and services and can derive benefits from these. There were no material changes identified from adoption of the standard.

#### **IFRS 9 “Financial Instruments”**

IFRS 9 provides a standardised approach for classification, measurement and derecognition of financial assets and liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. There were no material changes identified from adoption of the standard.

#### **Standards issued but not yet effective**

The standards and interpretations that are issued, but not yet effective, up to the date of the issuance of the financial statements and that may impact the financial statements are disclosed below. There are no other standards in issue but not yet effective that are expected to have an impact on the financial statements.

		Effective for periods commencing on or after 1 January 2019
IFRS 16	Leases	

The Company plans to adopt IFRS 16 using a modified retrospective approach. Under a modified retrospective approach, a company applies the new standard from the beginning of the period this IFRS applies to.

The Company will elect to use the exemptions proposed by the standard on lease contracts for which the lease terms ends within 12 months as of the date of initial application, and lease contracts for which the underlying asset is of low value

The Company has completed its assessment of the potential impact of the first-time adoption of IFRS 16 as of 1 January 2019 and it does not expect it to have any impact on its financial statements in the period of initial application.

### 3 Staff numbers and costs

The company has no employees. The directors receive no remuneration for their services to this company. The audit fee is borne by another group company.

# Selene Holdings Limited

## Notes (continued)

<b>4 Impairment of investment</b>	<b>2018</b>	2017
	<b>£'000</b>	£'000
Impairment	<b>(116,796)</b>	-

Selene Midco Limited, the Company's direct subsidiary ("the subsidiary"), transacted a debt for equity swap during the year by issuing significantly more shares to the company's intermediate parent undertaking. As a result the Company's shareholding in the subsidiary has been significantly diluted and as such it no longer controls the subsidiary. As a result of this group reorganisation the company's investment in Selene Midco has been impaired to £1.

## 5 Income Tax

<b>Amounts recognised in profit or loss</b>	<b>2018</b>	2017
	<b>£'000</b>	£'000
<b>Current tax</b>		
UK corporation tax	-	-
Adjustment in respect of prior years	-	-
<b>Total current tax</b>	-	-
<b>Deferred tax</b>		
Origination and reversal of temporary differences	-	-
Impact of changes in tax rates	-	-
<b>Total deferred tax charge</b>	-	-
<b>Reconciliation of tax charge</b>	<b>2018</b>	2017
	<b>£'000</b>	£'000
Loss on ordinary activities before tax	<b>(116,796)</b>	-
Loss on ordinary activities before tax at the standard corporation tax rate in UK of 19.00% (2017: 19.25%)	<b>(22,191)</b>	-
Expenses not deductible for tax purpose	<b>22,191</b>	-
<b>Total tax charge</b>	-	-

# Selene Holdings Limited

## Notes (continued)

### 5 Income Tax (continued)

#### Factors which may affect future tax charges;

Reductions in the UK corporation tax rate to 19% (effective from 1 April 2017) and to 17% (effective 1 April 2020) were substantively enacted on 26 October 2015 and 6 September 2016 respectively. This will reduce the company's future tax charge accordingly.

<b>6 Investments</b>		<b>2018</b>	2017
		<b>£'000</b>	£'000
<b>At beginning and end of year</b>		-	116,796

Selene Midco Limited, the Company's direct subsidiary ("the subsidiary"), transacted a debt for equity swap during the year by issuing significantly more shares to the company's intermediate parent undertaking. As a result the Company's shareholding in the subsidiary has been significantly diluted and as such it no longer controls the subsidiary. As a result of this group reorganisation the company's investment in Selene Midco has been impaired to £1.

Until the group reorganisation referred to above the Company had shareholdings in the following principal companies:

<b>Subsidiary undertaking</b>	<b>Country of Incorporation and operation</b>	<b>Activity</b>	<b>Shareholding (ordinary shares)</b>
Selene Midco Limited	Great Britain	Holding Company	100% (direct)
The Berkeley Hotel Limited	Great Britain	Hotel Operations	100% (indirect)
The Connaught Hotel Limited	Great Britain	Hotel Operations	100% (indirect)
Maybourne Hotels Limited	Great Britain	Hotel Management Services	100% (indirect)
Connaught F&B Limited	Great Britain	Food and Beverage Operations	100% (indirect)
Goldrange Properties Limited	Great Britain	Ownership of Property	100% (indirect)
Centralglen Limited	Great Britain	Dormant company	100% (indirect)
The Opheans Limited	Great Britain	Dormant company	100% (indirect)
Headfort Hotel (Belgravia) Limited	Great Britain	Dormant company	100% (indirect)
Motcomb Trust Limited	Great Britain	Dormant company	100% (indirect)
The Worcester Building Company Limited	Great Britain	Dormant company	100% (indirect)
James Edward Limited	Great Britain	Dormant company	100% (indirect)
The Strand Power Company Limited	Great Britain	Dormant company	100% (indirect)
Beaufort Construction Limited	Great Britain	Dormant company	100% (indirect)
Stones Chop House Limited	Great Britain	Dormant company	100% (indirect)
The Claridge's Hotel Laundry Limited	Great Britain	Dormant company	100% (indirect)
Patrick Spitfire Limited	Great Britain	Dormant company	100% (indirect)
BP&S (1906) Limited	Great Britain	Dormant company	100% (indirect)
Q&M Limited	Great Britain	Dormant company	100% (indirect)
Project Castle Limited	Great Britain	Dormant company	100% (indirect)
Only G Limited	Great Britain	Dormant company	100% (indirect)
Speed 6060 Limited	Great Britain	Dormant company	100% (indirect)
The Connaught Hotel (52242) Limited	Great Britain	Dormant company	100% (indirect)
Mount Street Mansions Limited	Great Britain	Dormant company	100% (indirect)
The Minema Limited	Great Britain	Dormant company	100% (indirect)
The Berkeley Hotel (49907) Co. Limited	Great Britain	Dormant company	100% (indirect)

# Selene Holdings Limited

## Notes (continued)

7	Called up share capital	2018 £'000	2017 £'000
	<i>Authorised</i> 1 share of £1	-	-
	<i>Called up, allotted and fully paid</i> 1 ordinary share of £1	-	-

## 8 Related party transactions

The company is exempt under the provisions of IAS 24 "Related Party Disclosures" from disclosing related party transactions entered into between two or more members of the group.

## 9 Ultimate parent company

The company's ultimate parent company and controlling party is Prime Capital S.A., a company incorporated in Luxembourg. This is the largest group in which the results of the company are consolidated.

The ultimate controlling party is His Excellency Sheikh Hamad Bin Jassim Bin Jaber Al Thani.

## 10 Subsequent events

There were no events subsequent to the balance sheet date that require adjustment to or disclosure in the financial statements.