

Company registration number 06766834 (England and Wales)

BHL GLOBAL LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

BHL GLOBAL LIMITED

COMPANY INFORMATION

Directors	M H Bakr-Ibrahim	
	O Elsharkawy	(Appointed 1 March 2024)
	A Balch	(Appointed 18 June 2024)
Company number	06766834	
Registered office	16-18 St. James's Place	
	London	
	SW1A 1NJ	
Auditor	Taylor Associates	
	1st Floor Gallery Court	
	28 Arcadia Avenue	
	London	
	N3 2FG	

BHL GLOBAL LIMITED

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BHL GLOBAL LIMITED

STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024

The directors present the strategic report for the year ended 31 December 2024.

Financial review

Following a strong recovery in 2023, which marked the second full year post-COVID lockdowns, the group experienced a 4.6% decline in trading performance during 2024. Revenue decreased by £1.47 million compared to 2023, partially offsetting the £3 million growth recorded between 2022 and 2023.

The London luxury hotel market has become increasingly competitive, with a significant expansion in room capacity. An estimated 1,000 new luxury rooms were added in 2024, following an increase of 857 rooms in 2023.

Operating margins remain under pressure from macroeconomic headwinds. The national minimum wage rose by 9.8% in April 2024, consistent with the previous year, while the hospitality sector continues to face a shortage of skilled labour. Additionally, inflationary pressures on food, utilities, and insurance have further impacted operating costs. Despite these challenges, the hotel maintained a solid EBITDA margin of 18% in 2024, compared to 19% in 2023.

In March 2024, the company successfully completed a refinancing exercise. Approximately 65% of the facility is now hedged with a fixed margin of 4.08% for five years, with the remaining portion subject to variable interest rates.

The company reported a loss before tax of £9.9 million in 2024, compared to a £6.3m loss in 2023. This increase was driven by the decline in revenue and higher financing costs resulting from the refinancing.

Key performance indicators

	2024	2023
Turnover from continuing operations (£m)	£30.5m	£32m
Gross margin	23%	23%
EBITDA (£)	£5.4m	£6.1m
EBITDA margin	18%	19%

BHL GLOBAL LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Principal risks and uncertainties

This section describes some of the risks that could affect the company's business activities. Not all potential risks are listed but those that, in the opinion of the Board, could have a material effect on revenues, profits, net assets and financial resources.

Events that adversely impact domestic or international travel

The ability to sustain given levels of occupancy and room rates can be adversely affected by events that reduce domestic and international travel. Such events may include acts of terrorism, epidemics, natural disasters, increased cost of travel and industrial action. The company has in place contingency and recovery plans to enable it to respond to major incidents.

Key personnel

Implementation of the company's strategy depends on its ability to attract, develop and retain employees with the appropriate skills, experience and aptitude. Implementation and development of a company induction scheme as well as ongoing training and development combined with attractive compensation, benefit and incentive schemes all help to minimise the risk.

Information technology systems and infrastructure

The company invests in systems that are appropriate to the business so as to maximise client relationship management, provide effective communication internally and externally and provide comprehensive reporting capabilities with suitable levels of security and data protection. The monitoring and development of such systems are out sourced to provide continuity and a cost-effective solution.

Financial risk management

The company's operations expose it to a variety of financial risks that include the effects of changes in price risk, treasury risk, credit risk, liquidity and cash flow risk.

Price risk The hotel industry supply and demand cycle

The hotel industry operates in an inherently cyclical marketplace. A weakening in demand or an increase in market supply may lead to downward pressure on room rates and/or occupancies. The company has systems in place that are designed to minimise the impact of such fluctuations as far as possible to optimise operating profits.

Treasury risk

In view of the company's exposure to upward fluctuations in interest rates, hedging instruments are used to minimise the potential impact on profitability.

Credit risk The ability to borrow and satisfy debt covenants

The group agreed terms to refinance their debt facility in February 2024 to a new 5 year facility. The group utilises facilities provided by its bankers to fund its operational and refurbishment programmes. The provision of such funds is dependent upon their availability in the marketplace and the perception of the company's ability to service such facilities. The facilities available are subject to debt covenants. These are reviewed regularly by management to ensure compliance throughout the year. The directors are confident that the company will continue to be able to secure these funds as and when required.

Liquidity and cash flow risk

The company manages liquidity risk by maintaining adequate reserves and by monitoring forecast and actual cash flows. The company's loan facility ensures continuity of funding. The company's operations are impacted by the currently elevated levels of inflation. The company aims to mitigate the impacts of inflation through increased prices for its customers and by seeking cost efficiencies.

BHL GLOBAL LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Financial instruments

The Group finances its assets and operations using retained earnings, group funding and bank borrowings. The Group is exposed to the usual credit risk and cash flow risk associated with selling on credit and manages this through credit control procedures.

The group's financial risk management objective is to hedge its exposure to currency and interest rate risks through appropriate derivative instruments with the group's bankers.

Future developments

To date, 2025 has been challenging with the impact of uncertainty arising from economic climate and tensions around Middle East. This along with other impacts has reduced inflow of overseas travellers and with increased rooms available from new openings occupancy for all our competitors including us has been impacted. We continue to ensure our guests receive excellent hospitality at competitive prices and continued review of our cost basis.

The group sold its investment in Northcote Hotel Ltd in May 2025.

On behalf of the board

M H Bakr-Ibrahim
Director

27 June 2025

BHL GLOBAL LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

The directors present their annual report and financial statements for the year ended 31 December 2024.

Principal activities

The principal activity of the group in the year under review, which has remained unchanged during the financial year, was that of luxury hoteliers.

The principal activity of BHL Global Limited is that of a holding company.

The group will continue to own and manage the hotels and restaurants in the United Kingdom.

Results and dividends

The results for the year are set out on page 10.

No ordinary dividends were paid. The directors do not recommend payment of a further dividend.

Directors

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

M H Bakr-Ibrahim	(Appointed 1 March 2024)
O Elsharkawy	(Appointed 29 February 2024 and resigned 18 June 2024)
M Foxon	(Resigned 19 February 2025)
R Sierankowski	(Resigned 29 February 2024)
M Armitstead	(Appointed 18 June 2024)
A Balch	

Qualifying third party indemnity provisions

The company has made qualifying third party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

Disabled persons

The group is committed to a policy of recruitment and promotion on the basis of aptitude and ability without discrimination of any kind. Particular attention is given to the training and promotion of disabled employees to ensure that their career development is not unfairly restricted by their disability, or perceptions of it.

The group's HR procedures make clear that full and fair consideration must be given to applications made by and the promotion of disabled persons. Where an employee becomes disabled whilst employed by the group. The HR procedures also require that reasonable effort is made to ensure they have the opportunity for continued employment within the group. Retraining of employees who become disabled whilst employed by the group is offered where appropriate.

Employee involvement

The group places considerable value on the involvement of its employees, and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the group. Employee representatives are consulted regularly on a wide range of matters affecting their current and future interests

BHL GLOBAL LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Business relationships

We seek to grow our business organically and sustainably by acquiring new clients, retaining existing ones, and increasing our share of their trading spend. To achieve this, we put our clients' interests first and aim to provide them with a high value service that yields incremental value as the relationship (and our service offering) matures.

Our suppliers play a key part in enabling us to deliver a leading level of service to our clients by amplifying our capabilities and efficiencies. We seek to choose the best products and services to meet our requirements, and then develop strong, long-term relationships with the suppliers that provide them, in order to create strong and enduring mutual value over time. We regularly look for ways to support our suppliers beyond simply providing our custom, whether through providing testimonials, sharing knowledge or recommending them to others we work with. Ensuring that the Group uses the most appropriate third-party vendors, to promote the interests of its clients and that of the shareholder, a robust review process is undertaken prior to the commencement of any relationship with a third-party supplier and this is then periodically reviewed to ensure ongoing suitability.

Auditor

Taylor Associates were appointed as auditor to the group and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company, and of the profit or loss of the group 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 accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

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

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

BHL GLOBAL LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Going concern

In light of the broader economic environment and its specific impact on the hospitality sector, the Directors have prepared, actively overseen, and continuously reviewed the company's financial plans and forecasts. These are updated on a monthly basis to reflect any known changes in business operations, and this disciplined approach to budget and forecast management will be maintained going forward.

Although revenue for Q1 2025 was below budgeted expectations, EBITDA performance remained consistent with both Q1 2025 projections and the corresponding period in 2024.

The Directors remain confident in the trading outlook for Q3 and Q4 2025, supported by increased investment in sales and marketing initiatives, as well as a strategic partnership with chef Michael Caines MBE. The company continues to demonstrate resilience and is well positioned to trade for a period of at least 12 months from the date of signing these financial statements.

If required, the company's ultimate controlling party has confirmed their willingness to provide additional financial support, as evidenced by past contributions and the provision of a formal letter of support.

On behalf of the board
Accordingly, the Directors consider it appropriate to prepare the financial statements on a going concern basis.

M H Bakr-Ibrahim
Director

27 June 2025

BHL GLOBAL LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BHL GLOBAL LIMITED

Opinion

We have audited the financial statements of BHL Global Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2024 which comprise the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 December 2024 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

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

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

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

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

BHL GLOBAL LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF BHL GLOBAL LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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, 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 parent 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 parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Based on our understanding of the Company and industry, we identified that the principal risks of noncompliance with laws and regulations related to regulatory requirements and trade regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, income tax, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- inspecting correspondence with regulators and tax authorities;
- discussions with management including consideration of known or suspected instances of noncompliance with laws and regulation and fraud;
- evaluating management's controls designed to prevent and detect irregularities;
- identifying and testing journals, in particular journal entries which shares key risk characteristics; and
- challenging assumptions and judgements made by management in their critical accounting estimates.

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

BHL GLOBAL LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF BHL GLOBAL LIMITED

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

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Asif Hassan (Senior Statutory Auditor)

For and on behalf of Taylor Associates, Statutory Auditor
Chartered Accountants
1st Floor Gallery Court
28 Arcadia Avenue
London
N3 2FG
27 June 2025

BHL GLOBAL LIMITED**GROUP STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2024**

		2024	2023
	Notes	£	£
Turnover	3	30,532,233	32,002,035
Cost of sales		(23,426,165)	(24,559,480)
Gross profit		<u>7,106,068</u>	<u>7,442,555</u>
Administrative expenses		(3,842,800)	(4,158,514)
Other operating income		374,974	541,165
Operating profit	4	<u>3,638,242</u>	<u>3,825,206</u>
Interest receivable and similar income	8	8,185	-
Interest payable and similar expenses	9	(11,602,023)	(10,200,739)
Amounts written of loans current assets	10	(1,975,000)	-
Loss before taxation		<u>(9,930,596)</u>	<u>(6,375,533)</u>
Tax on loss	11	983,532	(258,089)
Loss for the financial year	24	<u>(8,947,064)</u>	<u>(6,633,622)</u>
Other comprehensive income			
Revaluation of tangible fixed assets		-	74,535,468
Tax relating to other comprehensive income		-	(18,633,867)
Total comprehensive income for the year		<u><u>(8,947,064)</u></u>	<u><u>49,267,979</u></u>

Loss for the financial year is all attributable to the owners of the parent company.

Total comprehensive income for the year is all attributable to the owners of the parent company.

BHL GLOBAL LIMITED**GROUP BALANCE SHEET****AS AT 31 DECEMBER 2024**

		2024		2023	
	Notes	£	£	£	£
Fixed assets					
Goodwill	13		358,909		432,909
Tangible assets	14		165,207,992		166,407,157
			<u>165,566,901</u>		<u>166,840,066</u>
Current assets					
Stocks	17	484,009		568,728	
Debtors	18	3,602,641		4,682,854	
Cash at bank and in hand		1,241,062		950,112	
			<u>5,327,712</u>		<u>6,201,694</u>
Creditors: amounts falling due within one year	19	(10,044,514)		(10,768,881)	
Net current liabilities			<u>(4,716,802)</u>		<u>(4,567,187)</u>
Total assets less current liabilities			160,850,099		162,272,879
Creditors: amounts falling due after more than one year	20		(136,936,314)		(128,428,498)
Provisions for liabilities					
Deferred tax liability	22	19,922,931		20,906,463	
			<u>(19,922,931)</u>		<u>(20,906,463)</u>
Net assets			<u>3,990,854</u>		<u>12,937,918</u>
Capital and reserves					
Called up share capital			1		1
Revaluation reserve	24	64,340,501		64,340,501	
Other reserves	24	515,932		694,560	
Profit and loss reserves	24	(60,865,580)		(52,097,144)	
Total equity			<u>3,990,854</u>		<u>12,937,918</u>

The financial statements were approved by the board of directors and authorised for issue on 27 June 2025 and are signed on its behalf by:

M H Bakr-Ibrahim
Director

Company registration number 06766834 (England and Wales)

BHL GLOBAL LIMITED**COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2024**

		2024		2023	
	Notes	£	£	£	£
Fixed assets					
Investments	15	40,461,431		40,461,431	
		<u>40,461,431</u>		<u>40,461,431</u>	
Current assets					
Debtors	18	1,162,000	3,111,793		
Cash at bank and in hand		2,960	2,863		
		<u>1,164,960</u>	<u>3,114,656</u>		
Creditors: amounts falling due within one year	19	<u>(35,205,092)</u>	<u>(32,507,708)</u>		
Net current liabilities		<u>(34,040,132)</u>	<u>(29,393,052)</u>		
Total assets less current liabilities		<u>6,421,299</u>	<u>11,068,379</u>		
Creditors: amounts falling due after more than one year	20	<u>(58,516,854)</u>	<u>(55,493,586)</u>		
Net liabilities		<u><u>(52,095,555)</u></u>	<u><u>(44,425,207)</u></u>		
Capital and reserves					
Called up share capital		1	1		
Profit and loss reserves	24	<u>(52,095,556)</u>	<u>(44,425,208)</u>		
Total equity		<u><u>(52,095,555)</u></u>	<u><u>(44,425,207)</u></u>		

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's loss for the year was £7,670,348 (2023 - £5,886,510 loss).

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 27 June 2025 and are signed on its behalf by:

M H Bakr-Ibrahim
Director

Company registration number 06766834 (England and Wales)

BHL GLOBAL LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2024

	Share capital	Revaluation reserve	Fixtures, fitting and equipment reserve	Profit and loss reserves	Total
	£	£	£	£	£
Balance at 1 January 2023	1	8,438,900	-	(44,768,962)	(36,330,061)
Year ended 31 December 2023:					
Loss for the year	-	-	-	(6,633,622)	(6,633,622)
Other comprehensive income:					
Revaluation of tangible fixed assets	-	74,535,468	-	-	74,535,468
Tax relating to other comprehensive income	-	(18,633,867)	-	-	(18,633,867)
Total comprehensive income	-	55,901,601	-	(6,633,622)	49,267,979
Other movements	-	-	694,560	(694,560)	-
Balance at 31 December 2023	1	64,340,501	694,560	(52,097,144)	12,937,918
Year ended 31 December 2024:					
Loss and total comprehensive income	-	-	-	(8,947,064)	(8,947,064)
Other movements	-	-	(178,628)	178,628	-
Balance at 31 December 2024	1	64,340,501	515,932	(60,865,580)	3,990,854

BHL GLOBAL LIMITED**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Share capital	Profit and loss reserves	Total
	£	£	£
Balance at 1 January 2023	1	(38,538,698)	(38,538,697)
Year ended 31 December 2023:			
Loss and total comprehensive income for the year	-	(5,886,510)	(5,886,510)
Balance at 31 December 2023	1	(44,425,208)	(44,425,207)
Year ended 31 December 2024:			
Profit and total comprehensive income	-	(7,670,348)	(7,670,348)
Balance at 31 December 2024	1	(52,095,556)	(52,095,555)

BHL GLOBAL LIMITED

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024 £	2023 £
Cash flows from operating activities			
Cash generated from operations	29	5,841,408	6,996,619
Interest paid		(11,499,961)	(10,200,739)
Income taxes refunded		16,912	137,436
Net cash outflow from operating activities		(5,641,641)	(3,066,684)
Investing activities			
Purchase of tangible fixed assets		(498,500)	(461,240)
Repayment of loans		(1,975,000)	-
Interest received		8,185	-
Net cash used in investing activities		(2,465,315)	(461,240)
Financing activities			
Repayment of borrowings		2,921,206	2,777,604
Repayment of bank loans		5,393,424	(95,183)
Purchase of derivatives		-	667,005
Net cash generated from financing activities		8,314,630	3,349,426
Net increase/(decrease) in cash and cash equivalents		207,674	(178,498)
Cash and cash equivalents at beginning of year		950,112	1,128,610
Cash and cash equivalents at end of year		1,157,786	950,112
Relating to:			
Cash at bank and in hand		1,241,062	950,112
Bank overdrafts included in creditors payable within one year		(83,276)	-

BHL GLOBAL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

Company information

BHL Global Limited is a private company, limited by shares, incorporated in England and Wales under the Companies Act 2006. The registered office is given on the company information page and the nature of the companies operations and principal activity are set out in the Directors' report.

1.1 Basis of preparation of financial statements

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

1.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of Financial Position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

1.3 Going concern

Considering the wider economic climate and the impact on our specific industry, the directors have prepared, overseen, and kept under constant review financial plans and forecasts. These are updated to reflect the influence of known changes in our activities, and this process of reviewing budgets and forecasts will continue.

The directors have secured agreements for new loan facilities from March 2024 to February 2029 replacing previous facility which had expired February 2024. The trading outlook and the terms of this new financing ensure that sufficient funds are available to meet all liabilities as they become due. This will allow the group to continue trading for at least 12 months from the signing of these accounts.

If necessary, the ultimate controlling party are willing to provide further financial support as they have done in the past and have provided a letter of support.

Based on this, the directors believe that it remains appropriate to prepare the financial statements on a going concern basis.

BHL GLOBAL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

1.4 Revenue

Turnover represents amounts receivable for accommodation, food and beverage sales and ancillary services provided in the normal course of business, net of discounts, VAT and other sales related taxes. Turnover is recognised at the point of sale at which goods and services are delivered to the customer. Deposits which have been received at the reporting data for which services have not yet been provided are shown in prepaid deposits in debtors.

Turnover is measured at fair value of the considered received and represents the amount receivable for goods and services rendered, net of returns, discounts and rebates allowed by the company and value added taxes.

The company recognises revenue when:

- a) The significant risks and rewards of ownership have been transferred to the customer,
- b) The company retains no continuing involvement or control over the goods or services
- c) The amounts of turnover can be measured reliably,
- d) It is probably that future economic benefits will flow to the entity, and
- e) When specific criteria relating to each company's revenue streams have been met, as described below

The group's revenues are derived from sale of hotel rooms, food and beverage.

Hotel rooms

Hotel revenue is recognised when the rooms are occupied, and the services are performed. Deferred revenue consisting of deposits paid in advance is recognised as revenue when the customer occupies.

Food and beverage

The revenues are recorded net of value added tax collected from customers and are recognised as the related services are delivered. When payments are received from customers in advance of the services provided, the amounts are recognised as deferred income and included within creditors within one year.

1.5 Intangible assets - goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the Consolidated Statement of Comprehensive Income over its useful economic life.

Management have estimated the useful life of the goodwill to be 20 years. Estimates of the useful economic life of goodwill are based on a variety of factors such as the expected use of the acquired business, the expected useful life of the cash generating unit to which the goodwill is attributed, any legal, regulatory or contractual provisions that can limit useful life and assumptions that market participants would consider in respect of similar businesses. The acquired Company has a long track record of stable revenue.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

BHL GLOBAL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

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

Depreciation is provided on the following basis:

Freehold property	held at valuation
Plant and machinery	8% - 34% straight line
Fixtures and fittings	20% straight line
Computer equipment	20% - 65% straight line
Motor vehicles	5 years
Assets under construction	not depreciated

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

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

1.7 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

1.8 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting 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 profit or loss.

1.9 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

1.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

1.11 Creditors

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

BHL GLOBAL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

1.12 Financial instruments

The Group has elected to apply the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Group's Statement of Financial Position when the Group becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include trade and other receivables, cash and bank balances, are initially measured at their transaction price including transaction costs and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables due with the operating cycle fall into this category of financial instruments.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting date.

Financial assets are impaired when events, subsequent to their initial recognition, indicate the estimated future cash flows derived from the financial asset(s) have been adversely impacted. The impairment loss will be the difference between the current carrying amount and the present value of the future cash flows at the asset(s) original effective interest rate.

If there is a favourable change in relation to the events surrounding the impairment loss then the impairment can be reviewed for possible reversal. The reversal will not cause the current carrying amount to exceed the original carrying amount had the impairment not been recognised. The impairment reversal is recognised in the profit or loss.

Financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Basic financial liabilities, which include trade and other payables, bank loans, other loans and loans due to fellow group companies are initially measured at their transaction price after transaction costs. When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Discounting is omitted where the effect of discounting is immaterial.

Debt instruments are subsequently carried at their amortised cost using the effective interest rate method.

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if the payment is due within one year. If not, they represent non-current liabilities. Trade payables are initially recognised at their transaction price and subsequently are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

1.13 Current and deferred taxation

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

BHL GLOBAL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company and the Group operate and generate income.

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

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax.

Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

1.14 Pensions: Defined contribution pension plan

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

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

1.15 Operating leases: the Group as lessee

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

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

1.16 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Consolidated Statement of Comprehensive Income in the same period as the related expenditure.

1.17 Finance costs

Finance costs are charged to profit or loss 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.

BHL GLOBAL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

2 Judgments in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have had to make the following judgements:

Tangible fixed assets

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors, such as technological innovation, product life cycles and maintenance programmes. In re-assessing asset lives, factors such as life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values. In addition the value of land and buildings is supported by regular external valuation, location, reputation and continual reinvestment.

The Group is required to evaluate the carrying values of tangible fixed assets for impairment whenever circumstances indicate, in management's judgement, that the carrying value of such assets may not be recoverable. An impairment review requires management to make subjective judgements concerning the cash flows, growth rates and discount rates of the cash generating units under review. Management concluded that no impairment was required in respect of fixed assets as at 31 December 2024 on the basis of the known information at this date.

Recoverability of related party debtors

Judgement is required in assessing the recoverability of the related party debtors. Management have estimated the future cash flows available to repay the related party debt and have estimated that the recoverable amount is in excess of the intercompany debt owed to the company at the balance sheet date. Estimating the recoverable amount required management to use judgement to determine the appropriate methodology and the key assumptions applied to the valuation model. While management consider the assumptions to be appropriate and reasonable, any changes would impact the estimated recoverable amount and consequently could result in an impairment loss being recognised in the Statement of Comprehensive Income, and a reduction in the carrying amounts owed from related parties in the Statement of Financial Position.

When considering this, forecast expected trading results for the company is considered. These forecasts are based on estimates which include assumptions and estimates on future performance. If the actual results differ from the forecasts then material impairment to the intercompany debtors may be required.

Intangible fixed assets

The useful economic lives of intangible assets are based on management's judgemental and experience. When management identifies that actual useful economic lives differ materially from the estimate used to calculate amortisation, that charge is adjusted prospectively.

3 Turnover and other revenue

	2024	2023
	£	£
Turnover analysed by class of business		
Food and beverage	12,971,584	13,602,539
Accommodation	17,067,775	17,690,693
Other	492,874	708,803
	<u>30,532,233</u>	<u>32,002,035</u>

BHL GLOBAL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

3 Turnover and other revenue (Continued)

	2024 £	2023 £
Turnover analysed by geographical market		
United Kingdom	30,532,233	32,002,035
	<u> </u>	<u> </u>
	2024 £	2023 £
Other revenue		
Interest income	8,185	-
	<u> </u>	<u> </u>

4 Operating profit

	2024 £	2023 £
Operating profit for the year is stated after charging/(crediting):		
Exchange gains	(15,480)	(4,979)
Depreciation of owned tangible fixed assets	1,765,042	2,346,220
Reversal of past impairment of tangible fixed assets	(67,367)	-
Amortisation of intangible assets	74,000	74,000
Operating lease charges	343,573	343,399
	<u> </u>	<u> </u>

5 Auditor's remuneration

	2024 £	2023 £
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	44,500	40,750
	<u> </u>	<u> </u>
For other services		
All other non-audit services	8,000	7,500
	<u> </u>	<u> </u>

6 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

	Group 2024 Number	2023 Number	Company 2024 Number	2023 Number
Administrative and hotel staff	333	322	-	-
Management staff	19	15	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total	352	337	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

BHL GLOBAL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

6 Employees (Continued)

Their aggregate remuneration comprised:

	Group 2024 £	2023 £	Company 2024 £	2023 £
Wages and salaries	10,486,168	10,696,540	352,805	176,579
Social security costs	906,685	924,570	43,858	16,652
Pension costs	217,284	244,167	18,551	4,280
	<u>11,610,137</u>	<u>11,865,277</u>	<u>415,214</u>	<u>197,511</u>

7 Directors' remuneration

	2024 £	2023 £
Director' emoluments	<u>328,734</u>	<u>375,025</u>

8 Interest receivable and similar income

	2024 £	2023 £
Interest income		
Interest on bank deposits	<u>8,185</u>	<u>-</u>
	2024 £	2023 £
Investment income includes the following:		
Interest on financial assets not measured at fair value through profit or loss	<u>8,185</u>	<u>-</u>

9 Interest payable and similar expenses

	2024 £	2023 £
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	6,758,105	5,387,530
Other interest on financial liabilities	<u>4,741,397</u>	<u>4,813,209</u>
	11,499,502	10,200,739
Other finance costs:		
Finance costs for financial instruments measured at fair value through profit or loss	102,062	-
Other interest	<u>459</u>	<u>-</u>
Total finance costs	<u>11,602,023</u>	<u>10,200,739</u>

BHL GLOBAL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

10 Amounts written off investments

	2024 £	2023 £
Amounts written off current loans	(1,975,000)	-

11 Taxation

	2024 £	2023 £
Current tax		
Adjustments in respect of prior periods	-	258,089
Deferred tax		
Origination and reversal of timing differences	(983,532)	-
Total tax (credit)/charge	(983,532)	258,089

The actual (credit)/charge for the year can be reconciled to the expected credit for the year based on the profit or loss and the standard rate of tax as follows:

	2024 £	2023 £
Loss before taxation	(9,930,596)	(6,375,533)
Expected tax credit based on the standard rate of corporation tax in the UK of 25.00% (2023: 25.00%)	(2,482,649)	(1,593,883)
Tax effect of expenses that are not deductible in determining taxable profit	2,197,177	935,808
Tax effect of utilisation of tax losses not previously recognised	-	(547,922)
Unutilised tax losses carried forward	556,656	1,513,000
Under/(over) provided in prior years	-	274,984
Fixed asset differences	(1,061,230)	(222,000)
Movement in deferred tax not recognised	(193,486)	(101,898)
Taxation (credit)/charge	(983,532)	258,089

In addition to the amount charged to the profit and loss account, the following amounts relating to tax have been recognised directly in other comprehensive income:

	2024 £	2023 £
Deferred tax arising on:		
Revaluation of property	-	18,633,867

BHL GLOBAL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

12 Impairments

The impairment losses in respect of financial assets are recognised in other gains and losses in the profit and loss account.

Reversals of previous impairment losses have been recognised in profit or loss as follows:

	Notes	2024 £	2023 £
In respect of:			
Property, plant and equipment	14	67,367	-
Recognised in:			
Administrative expenses		67,367	-

13 Intangible fixed assets

Group	Goodwill £
Cost	
At 1 January 2024 and 31 December 2024	1,479,909
Amortisation and impairment	
At 1 January 2024	1,047,000
Amortisation charged for the year	74,000
At 31 December 2024	1,121,000
Carrying amount	
At 31 December 2024	358,909
At 31 December 2023	432,909

The company had no intangible fixed assets at 31 December 2024 or 31 December 2023.

More information on impairment movements in the year is given in note 12.

BHL GLOBAL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

14 Tangible fixed assets

Group	Freehold property £	Assets under construction £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Motor vehicles £	Assets under construction £	Total £
Cost or valuation								
At 1 January 2024	165,749,270	210,130	1,575,788	30,593,927	626,444	20,495	35,316	198,811,370
Additions	-	13,080	185,686	294,620	5,124	-	-	498,510
At 31 December 2024	165,749,270	223,210	1,761,474	30,888,547	631,568	20,495	35,316	199,309,880
Depreciation and impairment								
At 1 January 2024	3,066,118	-	1,427,705	27,299,367	590,528	20,495	-	32,404,213
Depreciation charged in the year	10,930	-	105,073	1,631,835	17,204	-	-	1,765,042
Reversal of past impairment	-	-	-	(67,367)	-	-	-	(67,367)
At 31 December 2024	3,077,048	-	1,532,778	28,863,835	607,732	20,495	-	34,101,888
Carrying amount								
At 31 December 2024	162,672,222	223,210	228,696	2,024,712	23,836	-	35,316	165,207,992
At 31 December 2023	162,683,152	210,130	148,083	3,294,560	35,916	-	35,316	166,407,157

The company had no tangible fixed assets at 31 December 2024 or 31 December 2023.

BHL GLOBAL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

The bank loans in note 20 are secured over the assets of the company by means of a fixed and floating charges and are subject to guarantee from the immediate parent company,

More information on impairment movements in the year is given in note 12.

The Stafford Hotel was revalued at £157.5m on 19 February 2025 by Savills, independent valuers not connected with the company for refinancing purposes. Savills have valued the Property as a fully fitted and equipped operational entity by reference to its trading potential.

The freehold interest in Northcote land and buildings was last revalued to £5.3m in April 2022 by Colliers, independent valuers not connected with the company. The valuation was carried out for refinancing purposes and reflected the property's trading potential and, where appropriate, included fixtures and fittings but excluded stock and any personal goodwill. No external revaluation has been obtained during the current financial year. The directors have reviewed the carrying value of the property and are of the opinion that there has been no material change in value since the last valuation.

15 Fixed asset investments

		Group		Company	
	Notes	2024	2023	2024	2023
		£	£	£	£
Investments in subsidiaries	16	-	-	40,461,431	40,461,431

Movements in fixed asset investments Company

	Shares in subsidiaries £
Cost or valuation	
At 1 January 2024 and 31 December 2024	40,461,431
Carrying amount	
At 31 December 2024	40,461,431
At 31 December 2023	40,461,431

16 Subsidiaries

Details of the company's subsidiaries at 31 December 2024 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
The Stafford Hotel Limited	United Kingdom	Operating of a hotel in London	Ordinary	100.00
Gingerbery Investments Limited	United Kingdom	Operating of a restaurant in London	Ordinary	100.00
Northcote Hotel Limited	United Kingdom	Operating of hotel in Lancashire	Ordinary	100.00
SHL Estates Limited	United Kingdom	Dormant company	Ordinary	100.00
The Stafford Collection Limited	United Kingdom	Dormant company	Ordinary	100.00

The registered office of all subsidiaries is 16-18 St James Place, London, SW1A 1NJ.

BHL GLOBAL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

16 Subsidiaries (Continued)

The company entered into a Share Sale and Purchase Agreement for the sale of its wholly owned subsidiary, Northcote Hotel Limited, involving the entire issued share capital. The transaction completed on 23 April 2025.

17 Stocks

	Group 2024	2023	Company 2024	2023
	£	£	£	£
Finished goods and goods for resale	484,009	568,728	-	-

The consumables consist of food and beverage, merchandise for sale, housekeeping and maintenance materials. The directors are of the opinion that the replacement costs of these stocks is not significantly different to their carrying value.

18 Debtors

	Group 2024	2023	Company 2024	2023
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	538,473	642,530	-	-
Corporation tax recoverable	-	16,912	-	-
Other debtors	719,341	723,095	643,935	643,534
Prepayments and accrued income	1,744,611	725,101	24,806	-
	<u>3,002,425</u>	<u>2,107,638</u>	<u>668,741</u>	<u>643,534</u>
Amounts falling due after more than one year:				
Other debtors	<u>600,216</u>	<u>2,575,216</u>	<u>493,259</u>	<u>2,468,259</u>
Total debtors	<u>3,602,641</u>	<u>4,682,854</u>	<u>1,162,000</u>	<u>3,111,793</u>

BHL GLOBAL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

19 Creditors: amounts falling due within one year

	Notes	Group 2024 £	2023 £	Company 2024 £	2023 £
Bank loans and overdrafts	21	3,361,266	3,369,114	-	-
Trade creditors		1,649,270	1,637,495	99,647	-
Amounts owed to group undertakings		-	-	34,949,259	32,257,894
Other taxation and social security		1,423,149	1,632,571	-	-
Other creditors		1,529,676	1,982,411	145,686	239,314
Accruals and deferred income		2,081,153	2,147,290	10,500	10,500
		<u>10,044,514</u>	<u>10,768,881</u>	<u>35,205,092</u>	<u>32,507,708</u>

20 Creditors: amounts falling due after more than one year

	Notes	Group 2024 £	2023 £	Company 2024 £	2023 £
Bank loans and overdrafts	21	78,419,460	72,934,912	-	-
Loan notes to WARM Foundation	21	58,516,854	55,493,586	58,516,854	55,493,586
		<u>136,936,314</u>	<u>128,428,498</u>	<u>58,516,854</u>	<u>55,493,586</u>

The loan notes, which are listed on The International Stock Exchange, have had their redemption date extended from 31 December 2025 to 30 June 2031.

With effect from 1 July 2025, the loan notes will accrue interest at a rate of 6% per annum above the Bank of England base rate. Interest is payable on redemption of the loan notes.

All loan notes are held by the ultimate parent undertaking.

Further information regarding bank loans is provided in Note 21.

21 Loans and overdrafts

	Group 2024 £	2023 £	Company 2024 £	2023 £
Bank loans	81,697,450	76,304,026	-	-
Bank overdrafts	83,276	-	-	-
Loan notes to WARM Foundation	58,516,854	55,493,586	58,516,854	55,493,586
	<u>140,297,580</u>	<u>131,797,612</u>	<u>58,516,854</u>	<u>55,493,586</u>
Payable within one year	3,361,266	3,369,114	-	-
Payable after one year	136,936,314	128,428,498	58,516,854	55,493,586

BHL GLOBAL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

21 Loans and overdrafts

(Continued)

As at the reporting date, the Group's bank loan balances comprise the following facilities:

Stafford Hotel Limited

Stafford Hotel Limited holds facilities agreements totaling £77 million, consisting of three distinct tranches:

- £50 million facility bearing interest at 4.098% plus SONIA
- £20 million facility bearing interest at 2.5% plus SONIA
- £7 million facility with prepaid interest of £1.64 million, amortised over an 18-month period

All facilities are structured as interest-only, with interest payable quarterly. These borrowings are secured by fixed and floating charges over the Company's assets, and are guaranteed by the immediate parent company. Repayment of the facilities is scheduled for February 2029.

Northcote Hotel Limited

In October 2022, Northcote Hotel Limited entered into a £3.5 million facilities agreement with Coutts & Co.

Key terms include:

- Interest at Bank of England base rate plus 2.6% per annum, payable quarterly
- An initial interest-only period of nine months, followed by quarterly capital repayments
- Final repayment due in July 2024

This facility is secured against the Company's freehold property.

Gingerbery Investments Limited

Gingerbery Investments Limited holds a £50,000 loan with HSBC, accruing interest at 2.5% per annum from 1 April 2022. The loan is repayable in instalments, with the final repayment due in October 2026.

Loan notes to WARM Foundation

The loan notes, which are listed on The International Stock Exchange, have had their redemption date extended from 31 December 2025 to 30 June 2031.

With effect from 1 July 2025, the loan notes will accrue interest at a rate of 6% per annum above the Bank of England base rate. Interest is payable on redemption of the loan notes.

All loan notes are held by the ultimate parent undertaking.

22 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the group and company, and movements thereon:

Group	Liabilities 2024	Liabilities 2023
	£	£
Accelerated capital allowances	3,252,740	3,252,740
Tax losses	(1,910,676)	(927,144)
Revaluations	18,633,867	18,633,867
Short term timing differences	(53,000)	(53,000)
	<u>19,922,931</u>	<u>20,906,463</u>

The company has no deferred tax assets or liabilities.

BHL GLOBAL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

22 Deferred taxation (Continued)

	Group 2024 £	Company 2024 £
Movements in the year:		
Liability at 1 January 2024	20,906,463	-
Credit to profit or loss	(983,532)	-
Liability at 31 December 2024	19,922,931	-

23 Retirement benefit schemes

	2024 £	2023 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	217,284	244,167

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

24 Reserves

Revaluation reserve

The revaluation reserve represents the unrealised surplus on revaluation of the freehold property.

Fair value reserve

The fair value reserves comprises the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges.

Profit and loss account

The profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

25 Operating lease commitments

Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group 2024 £	2023 £	Company 2024 £	2023 £
Within one year	135,733	140,166	-	-
Between two and five years	-	303,533	-	-
	135,733	443,699	-	-

BHL GLOBAL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

26 Events after the reporting date

The company entered into a Share Sale and Purchase Agreement for the sale of its wholly owned subsidiary, Northcote Hotel Limited, involving the entire issued share capital. The transaction completed on 23 April 2025.

This represents a non-adjusting post balance sheet event under FRS 102, Section 32, as the conditions of the sale arose after the reporting date. No adjustments have been made to the financial statements in respect of this transaction. However, management has assessed the impact of the sale and believes it does not cast significant doubt on the company's ability to continue as a going concern.

27 Related party transactions

Transactions with related parties

At the year end the group had a balance of £58,516,854 (2023 - £55,493,000) owed to WARM Foundation, its ultimate parent undertaking in relation to the loan notes (listed-on The International Stock Exchange).

28 Controlling party

The ultimate controlling party of the group is the WARM Foundation which is registered in Liechtenstein. The immediate parent company is Kamaria Investments Limited which is registered in Cyprus.

29 Cash generated from group operations

	2024 £	2023 £
Loss after taxation	(8,947,064)	(6,633,622)
Adjustments for:		
Taxation (credited)/charged	(983,532)	258,089
Finance costs	11,602,023	10,200,739
Investment income	(8,185)	-
Amortisation and impairment of intangible assets	74,000	74,000
Depreciation and impairment of tangible fixed assets	1,697,675	2,346,220
Other gains and losses	1,975,000	-
Movements in working capital:		
Decrease/(increase) in stocks	84,719	(51,361)
Decrease in debtors	1,063,291	296,341
(Decrease)/increase in creditors	(716,519)	504,013
Cash generated from operations	5,841,408	6,994,419

BHL GLOBAL LIMITED**NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 DECEMBER 2024**30 Analysis of changes in net debt - group**

	1 January 2024 £	Cash flows £	Market value movements £	31 December 2024 £
Cash at bank and in hand	950,112	290,950	-	1,241,062
Bank overdrafts	-	(83,276)	-	(83,276)
	<u>950,112</u>	<u>207,674</u>	<u>-</u>	<u>1,157,786</u>
Borrowings excluding overdrafts	(131,797,612)	(8,314,630)	(102,062)	(140,214,304)
	<u>(130,847,500)</u>	<u>(8,106,956)</u>	<u>(102,062)</u>	<u>(139,056,518)</u>

