

Company registration number

121092

TVL FINANCE PLC

Report and financial statements

For the year ended 31 December 2019

TVL FINANCE PLC

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

CONTENTS

	Page(s)
Officers and professional advisers	1
Directors' report	2
Statement of directors' responsibilities in respect of the Financial Statements	3
Independent auditors' report	4 - 7
Statement of Income and Retained earnings	8
Statement of Financial Position	9
Notes to the financial statements	10 - 13

TVL FINANCE PLC

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

Joanna Boydell
Peter Gowers
Brian Wallace

COMPANY SECRETARIES

Joanna Boydell
Crestbridge Corporate Services Limited

REGISTERED OFFICE

47 Esplanade
St Helier
Jersey
JE1 0BD

BANKERS

Barclays PLC
1 Churchill Place
London
E14 5HP

SOLICITORS

Addleshaw Goddard
Milton Gate
60 Chiswell Street
London
EC1Y 4AG

INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
1 Embankment Place
London
WC2N 6RH

TVL FINANCE PLC

DIRECTORS' REPORT

For the year ended 31 December 2019

The Directors present the audited financial statements for the year ended 31 December 2019.

INCORPORATION

TVL Finance Plc (the "Company") was formed on 15 April 2016. On 15 April 2016 the Company commenced trading.

PRINCIPAL ACTIVITIES

The Statement of income and retained earnings account for the year is set out on page 8. The principal activities of the Company are as a financing company within the Thame and London Limited consolidated group of companies (the 'Travelodge' group).

DIRECTORS

The Directors, who served throughout the year and up to the date of signing the financial statements, were as follows:

Brian Wallace

Peter Gowers

Paul Harvey (Resigned 16 September 2019)

Joanna Boydell

None of the Directors hold any interest in the shares of the Company.

RESULTS FOR THE YEAR

During the year the Company made a result after tax of £nil (2018: £nil result).

DIVIDENDS

The Directors do not recommend the payment of a dividend.

GOING CONCERN

The Directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of the ultimate controlling parent company Thame and London Limited. The Directors have received confirmation that Thame and London Limited intends to support the company for at least one year after these financial statements are signed. However, we are likely to continue to be subject over the next 12 months to the impact of Covid-19 and at this stage, we are unable to predict with any certainty the extent or duration of this impact on the Group. It is therefore possible to conceive a downside scenario in which the Group would not have adequate resources to continue as a going concern for the foreseeable future. This would indicate the existence of a material uncertainty which may cast significant doubt about the Group's and Company's ability to continue as a going concern. The Board emphasises that this arises solely due to the Covid-19 pandemic which is entirely outside the Group's influence or control. The Financial Statements, as drafted, do not include the adjustments that would result if the Group was unable to continue as a going concern. Further disclosure can be found in Note 2 of the Thame and London Limited financial statements.

SECRETARY

The secretaries of the Company during the year to 31 December 2019 and subsequently were as follows:

Joanna Boydell

Crestbridge Corporate Services Limited

INDEPENDENT AUDITORS

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office.

REGISTERED OFFICE

47 Esplanade

St Helier

Jersey

JE1 0BD

By order of the Board



Joanna Boydell

Company Secretary

30 July 2020

TVL FINANCE PLC

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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 (Jersey) Law.

On behalf of the Board



Joanna Boydell
Director
30 July 2020

Independent auditors' report to the members of TVL Finance plc

Report on the audit of the financial statements

Opinion

In our opinion, TVL Finance plc's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies (Jersey) Law 1991.

We have audited the financial statements, included within the Report and financial statements (the "Annual Report"), which comprise: the statement of financial position as at 31 December 2019; the statement of income and retained earnings for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

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

Independence

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

Material uncertainty related to going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements concerning the company's ability to continue as a going concern. The company is reliant on support from the wider group and a group letter of support is in place to support the Company if required. The group has modelled a number of downside scenarios, which indicate that it requires the additional equity commitments from its ultimate shareholders. These commitments are only available if there is no subsequent second lockdown, or any similar circumstance that impacts at least a majority of the number of Travelodge hotels in England for a continuous period of two weeks or more, and/or the group has not refinanced the SSRCF. These conditions are outside of the group's control and if they were to arise, the Board would need to seek further funding, the availability of which is uncertain and also outside of the group's control. These conditions, along with the other matters explained in note 1 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

What audit procedures we performed

In concluding there is a material uncertainty, our audit procedures included:

- obtaining management's paper that supports the directors' assessment and conclusions with respect to the going concern status of the Group;
- challenging management to produce forecasts under a range of challenging scenarios worst-case scenarios, including 'severe but plausible';
- discussing with management the impact assessments applied in the going concern review so we could understand and challenge the rationale for those assumptions, using our knowledge of the business, the sector and wider commentary in the market;
- evaluating monthly trading results to June 2020, considering the impact of these actual results on the future forecast period;
- understanding and obtaining sufficient evidence for the mitigating actions taken by management, including furloughing employees, drawing down on the existing credit facility, agreeing revised covenant terms, securing an equity commitment of up to £40m from the shareholders and entering into a new £60m super senior revolving credit facility;
- reading all of the agreements to ensure that the funds are committed or to understand the conditionality;

- assessing the availability of liquid resources under different scenarios modelled by management; and
- assessing the disclosures in the financial statements and agreeing changes with management to reflect the key material uncertainty.

Our audit approach

Overview



- Overall materiality: £3.0 million (2018: £2.9 million), based on 1% of total external debt, capped at 95% of the Group materiality.
- The focus of our work was the entity TVL Finance plc, which holds the Group's listed debt.
- Material uncertainty related to going concern

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits we also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. We determined the matters described below to be the key audit matters to be communicated in our report. This is not a complete list of all risks identified by our audit.

Key audit matter	How our audit addressed the key audit matter
<p><i>Material uncertainty related to going concern</i></p> <p>Management and the Board have considered the potential impact of the Covid-19 global pandemic on the current and future operations of the Company and wider group. In doing so, management has had particular focus on the Group's ability to continue as a going concern. Management's assessment of going concern is explained in note 1 to the financial statements.</p>	<p>Our work and conclusions reached in respect of going concern are detailed within the "Material uncertainty related to going concern" section above.</p>

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the company, the accounting processes and controls, and the industry in which it operates.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Overall materiality	£3.0 million (2018: £2.9 million).
How we determined it	1% of total external debt.
Rationale for benchmark applied	We believe that the total external debt liability represents the primary measure used by the shareholders in assessing the performance of the entity.

We agreed with the Audit Committee of Thame and London Limited that we would report to them misstatements identified during our audit above £150,000 (2018: £145,000) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Reporting on other information

The other information comprises all of the information in the Report and Financial Statements other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance thereon.

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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities in respect of the Financial Statements set out on page 3, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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.

Auditors' 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 auditors' 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 FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Article 113A of the Companies (Jersey) Law 1991 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies (Jersey) Law 1991 exception reporting

Under the Companies (Jersey) Law 1991 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- proper accounting records have not been kept by the company, or proper 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.

We have no exceptions to report arising from this responsibility.



Nigel Reynolds
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants
London
30 July 2020

TVL FINANCE PLC

STATEMENT OF INCOME AND RETAINED EARNINGS
For the year ended 31 December 2019

		Year ended 31 December 2019 £m	Year ended 31 December 2018 £m
	<i>Note</i>		
OPERATING RESULT	<i>3</i>	-	-
Interest receivable and similar income	<i>4</i>	30.5	31.9
Interest payable and similar expenses	<i>5</i>	(30.5)	(31.9)
RESULT BEFORE TAXATION		-	-
Tax on result	<i>6</i>	-	-
RESULT FOR THE FINANCIAL YEAR	<i>12</i>	-	-
Retained earnings at 1 January	<i>12</i>	-	-
Retained earnings at 31 December	<i>12</i>	-	-

There was no other comprehensive income for the year other than as shown above. There is no material difference between the result before taxation and the result for the financial year stated above and their historical cost equivalents.

All results are derived from continuing operations.

TVL FINANCE PLC

STATEMENT OF FINANCIAL POSITION
As at 31 December 2019

		31 December 2019 £m	31 December 2018 £m
	<i>Note</i>		
CURRENT ASSETS			
Debtors	7	447.5	434.3
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	8	(5.8)	(3.9)
NET CURRENT ASSETS		<u>441.7</u>	<u>430.4</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>441.7</u>	<u>430.4</u>
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR			
Bond related debt	9	(432.1)	(420.8)
NET ASSETS		<u>9.6</u>	<u>9.6</u>
CAPITAL AND RESERVES			
Called up share capital	11	-	-
Share premium account	11	9.6	9.6
Retained earnings	12	-	-
TOTAL SHAREHOLDERS' FUNDS	13	<u>9.6</u>	<u>9.6</u>

These financial statements on pages 8 to 13 were approved by the Board of Directors on 30 July 2020 and signed on their behalf by:



Joanna Boyde
Director
30 July 2020

TVL FINANCE PLC

Company registration number

121092

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2019

1 ACCOUNTING POLICIES

TVL Finance Plc is a public company limited by share capital, and is incorporated and domiciled in Jersey. The address of its registered office is disclosed on page 1. The principal place of business is Sleepy Hollow, Aylesbury Road, Thame OX9 3AT. The Company is a financing company within the Travelodge Group.

Basis of accounting

These financial statements have been prepared in accordance with sections 11 and 12 of Financial Reporting Standard 102 (FRS102) with certain exemptions of the reduced disclosure framework applied as detailed below. FRS102 was adopted by the Company from incorporation.

These financial statements are prepared under the historical cost convention and in accordance with Companies (Jersey) Law 1991 applicable to the Company reporting at 31 December 2019.

The preparation of financial statements in conformity with FRS102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the Company's accounting policies. There are no areas involving a higher degree of judgement or complexity or areas where assumptions and estimates are significant to the financial statements.

The principal accounting policies are set out below and have been applied consistently throughout the year.

Group financial statements

The Company is a wholly owned subsidiary of Thame and London Limited. The consolidated financial statements of Thame and London Limited are publicly available. Therefore the Company is exempt by virtue of it being a wholly-owned subsidiary from the requirement to prepare consolidated financial statements.

Cash flow statement

Under FRS102 (section 1), the Company is exempt from the requirement to prepare a cash flow statement on the grounds that its parent company (Thame and London Limited) includes the Company's cash flows in its own published consolidated financial statements.

Financial liabilities and equity

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. Equity instruments issued by the Group are recorded at the proceeds received net of any direct issue costs.

Financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. Financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted in the foreseeable future.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis.

Going concern

The Directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of the ultimate controlling parent company Thame and London Limited. The Directors have received confirmation that Thame and London Limited intends to support the company for at least one year after these financial statements are signed. However, we are likely to continue to be subject over the next 12 months to the impact of Covid-19 and at this stage, we are unable to predict with any certainty the extent or duration of this impact on the Group. It is therefore possible to conceive a downside scenario in which the Group would not have adequate resources to continue as a going concern for the foreseeable future. This would indicate the existence of a material uncertainty which may cast significant doubt about the Group's and Company's ability to continue as a going concern. The Board emphasises that this arises solely due to the Covid-19 pandemic which is entirely outside the Group's influence or control. The Financial Statements, as drafted, do not include the adjustments that would result if the Group was unable to continue as a going concern. Further disclosure can be found in Note 2 of the Thame and London Limited financial statements.

2 INFORMATION REGARDING DIRECTORS AND EMPLOYEES

Information regarding Directors' emoluments is disclosed in the financial statements of Thame and London Limited, the intermediate parent company. Directors of the Company received no remuneration for services provided to this Company in the current year (2018: £nil). There were no employees in the current year (2018: nil).

3 OPERATING RESULT

The audit fee of £3,000 (2018: £3,000) is borne by a fellow Group company.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 December 2019

4 INTEREST RECEIVABLE AND SIMILAR INCOME

	Year ended 31 December 2019 £m	Year ended 31 December 2018 £m
Interest receivable from Group undertakings	30.5	31.9
Interest receivable	30.5	31.9

5 INTEREST PAYABLE AND SIMILAR EXPENSES

	Year ended 31 December 2019 £m	Year ended 31 December 2018 £m
Finance fees amortised	1.4	1.4
Interest on fixed and floating rate bonds	29.1	30.5
Interest payable	30.5	31.9

6 TAX ON RESULT

	Year ended 31 December 2019 £m	Year ended 31 December 2018 £m
Current tax:		
UK corporation tax on result for the year	-	-
Total current tax	-	-
Tax on result	-	-

The differences between the total tax shown and the amount calculated by applying the standard rate of tax for the year of 19.0% to the result before tax are as follows:

	Year ended 31 December 2019 £m	Year ended 31 December 2018 £m
Result before taxation	-	-
Tax charge at 19.0% (2018: 19.0%)	-	-
Effects of:		
Expenses not deductible for tax purposes	-	-
Tax relieved by Group losses / losses surrendered to Group companies for nil consideration	-	-
Total tax charge for the year	-	-

No provision for UK corporation tax has been made for the year ended 31 December 2019 due to the tax relief available from Group losses.

The Company is UK tax resident.

The main rate of UK corporation tax was 19%. As announced in the 2020 budget, the main rate of corporation tax will now remain at 19% rather than reducing to 17% from April 2020.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 December 2019

7 DEBTORS

	31 December 2019 £m	31 December 2018 £m
Amounts owed by Group undertakings	447.5	434.3
	447.5	434.3

Amounts owed by Group undertakings are unsecured and repayable on demand and bear interest between 0.0% and 10.0% (2018: 0.0% and 10.0%).

8 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 December 2019 £m	31 December 2018 £m
Amounts owed to Group undertakings	(0.1)	-
Accrued interest	(5.7)	(3.9)
	(5.8)	(3.9)

9 BOND RELATED DEBT

	31 December 2019 £m	31 December 2018 £m
External debt redeemable:		
Fixed Rate Bond	-	(232.0)
Floating Rate Bond	(440.0)	(195.0)
Issue Costs	7.9	6.2
External debt	(432.1)	(420.8)

Senior secured fixed rate sterling denominated notes of £290.0m were issued on 10 May 2016 with a termination date of 11 May 2023. Of these, £29.0m were repaid on 28 April 2017, a further £29.0m were repaid on 3 January 2018 and the remaining £232.0m were repaid on 5 July 2019. Interest was fixed at 8.5% and payable on a semi-annual basis.

Senior secured floating rate sterling denominated notes of £165.0m and £30.0m were issued on 28 April 2017 and 3 January 2018 respectively, with a termination date of 15 May 2023. Interest was floating at three month LIBOR plus a margin of 4.875% and payable on a quarterly basis. These notes were repaid on 5 July 2019.

On 5 July 2019 new senior secured floating rate sterling denominated notes of £440.0m were issued with a termination date of 15 July 2025. Interest is floating at three month LIBOR plus a margin of 5.375%. Interest is payable quarterly each January, April, July and October, commencing in October 2019. The notes may be redeemed at any time on or after 15 July 2020, at par.

Costs incurred in issuing the senior secured sterling denominated notes, revolving credit and letter of credit facility have been deducted from the fair value of the notes and facilities, which are carried at amortised cost.

The bonds were variably secured on leases owned by certain subsidiary undertakings and charges over shares in subsidiary undertakings.

10 POST BALANCE SHEET EVENTS

Subsequent to the balance sheet date, and in context of the unprecedented challenges presented by Covid-19, Travelodge has developed a recovery plan intended to provide stability and certainty for our guests, support the more than ten thousand jobs at stake and protect the interests of our key stakeholders. The recovery plan involves a number of key components to enable the business to successfully trade through the impact of Covid-19, including: continued action by the company to preserve cash flow; making use of government measures where possible; drawing down on our existing facilities; accessing new facilities and equity contributions; and Travelodge Hotels Limited ("the Company") agreeing a Company Voluntary Arrangement ("CVA"). Full details of the recovery plan are included within the consolidated financial statements of Thame and London Limited.

11 CALLED UP SHARE CAPITAL AND SHARE PREMIUM ACCOUNT

	31 December 2019 & 2018 Number of shares	31 December 2019 & 2018 £
Authorised, allotted and fully paid		
Ordinary shares of £1 each	3	3
	31 December 2019 £m	31 December 2018 £m
Share premium account:		
Ordinary shares of £1 each	9.6	9.6

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 December 2019

12 RETAINED EARNINGS

	Year ended 31 December 2019 £m	Year ended 31 December 2018 £m
At 1 January	-	-
Result for the financial year	-	-
At 31 December	-	-

13 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	Year ended 31 December 2019 £m	Year ended 31 December 2018 £m
Opening shareholders' funds	9.6	9.6
Result for the financial year	-	-
Closing shareholders' funds	9.6	9.6

14 RELATED PARTY TRANSACTIONS AND ULTIMATE CONTROLLING PARTY

The immediate parent company is Full Moon Holdco 5 Limited.

The Company has taken advantage of the exemption in FRS102 (section 33) 'Related party disclosure' not to disclose transactions with other members of the Group.

The Directors regard Anchor Holdings SCA as the ultimate controlling party and regard Thame and London Limited as the controlling party of the largest Group of which the Company is a member and which is the only company within the group where consolidated financial statements are drawn up. Copies of these consolidated financial statements are available from Sleepy Hollow, Aylesbury Road, Thame, Oxon, OX9 3AT.

Of the total fees paid as part of the Group's refinancing, an amount of £3.1m was paid to a financial institution which is related to one of the parent undertakings (2018: £0.2m was paid to a financial institution which is related to one of the parent undertakings).