

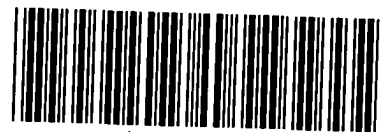
Concierge Holding Company Limited

Registered number: 09709521

AMENDED - Annual Report

For the year ended 31 December 2017

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Concierge Holding Company Limited

COMPANY INFORMATION

Directors	T M L Viort N D J Guernier A Nahai J Richard
Registered number	09709521
Registered office	22 Ganton Street 3rd Floor London W1F 7FD United Kingdom
Independent auditor	Mazars LLP Chartered Accountants & Statutory Auditor Times House Throwley Way Sutton Surrey SM1 4JQ

Conclerge Holding Company Limited

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Concierge Holding Company Limited

**DIRECTORS' REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2017**

The directors present their report and the financial statements for the year ended 31 December 2017.

Principal activity

The principal activity of the company is that of a holding company.

Results and dividends

The loss for the year, after taxation, amounted to \$608,742 (2016: loss of \$560,522).

Directors

The directors who served during the period were:

T M L Viot
N D J Guernier
A Nahal (appointed 21 November 2017)
J Richard (appointed 26 February 2018)
D Amsellem (resigned 6 February 2018)
E Baudart (resigned 1 November 2017)
S Daines (resigned 26 February 2018)

Directors' responsibilities statement

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

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

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the company's financial statements 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 company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are 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.

Conclerge Holding Company Limited

**DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2017**

Provision of information to auditor

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Post balance sheet events

On 10 January 2018, Concierge Holding Company Limited acquired an additional 8.2% of Service Concierge SAS for €2,989,608.

Auditor

The auditor, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

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

This report was approved by the board and signed on its behalf.

J Richard
Director

Date: 25 July 2018



Conclerge Holding Company Limited

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CONCLERGE HOLDING COMPANY LIMITED

Opinion

We have audited the financial statements of Conclerge Holding Company Limited (the 'company') for the year ended 31 December 2017 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 company's affairs as at 31 December 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

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

Conclerge Holding Company Limited

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CONCLERGE HOLDING COMPANY LIMITED

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

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specific by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the directors were not entitled take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

Concierge Holding Company Limited

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CONCIERGE HOLDING COMPANY LIMITED

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement set out on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors intend to liquidate the 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of the audit 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.

Elisabeth Maxwell

Elisabeth Maxwell (Senior statutory auditor)

for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor

Times House
Throwley Way
Sutton
Surrey
SM1 4JQ

3 August 2018

Conclerge Holding Company Limited

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 DECEMBER 2017**

		31 December 2017 \$	Period ended 31 December 2016 \$
	Note		
Turnover	4	3,489,267	1,970,577
Gross profit		3,489,267	1,970,577
Administrative expenses		(3,796,025)	(2,474,346)
Operating loss	5	(306,758)	(503,769)
Interest payable and similar charges	9	(301,984)	(56,753)
Loss before tax		(608,742)	(560,522)
Tax on loss	10	-	-
Loss for the financial year/period		(608,742)	(560,522)
Other comprehensive income		-	-
Total comprehensive income for the year/period		(608,742)	(560,522)

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

The notes on pages 9 to 27 form part of these financial statements.

Conclerge Holding Company Limited
REGISTERED NUMBER: 09709521

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2017

	Note	2017 \$	2016 \$
Fixed assets			
Tangible assets	11	5,507	-
Investments	12	130,399,925	129,864,748
		<u>130,405,432</u>	<u>129,864,748</u>
Current assets			
Debtors: amounts falling due within one year	13	21,544,857	10,930,086
Cash at bank and in hand	14	217,852	1,474,513
		<u>21,762,709</u>	<u>12,404,599</u>
Creditors: amounts falling due within one year	15	(4,989,589)	(12,214,264)
Net current assets		<u>16,773,120</u>	<u>190,335</u>
Total assets less current liabilities		<u>147,178,552</u>	<u>130,055,083</u>
Creditors: amounts falling due after more than one year	16	-	(8,333,626)
Net assets		<u><u>147,178,552</u></u>	<u><u>121,721,457</u></u>
Capital and reserves			
Called up share capital	18	136,329,309	122,281,979
Share premium account	19	12,018,507	-
Profit and loss account	19	(1,169,264)	(560,522)
Total equity		<u><u>147,178,552</u></u>	<u><u>121,721,457</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

J Richard
Director

Date: 25 July 2018

The notes on pages 9 to 27 form part of these financial statements.



Conclerge Holding Company Limited

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2017**

	Called up share capital \$	Share premium account \$	Profit and loss account \$	Total equity \$
Comprehensive income for the period				
Loss for the period	-	-	(560,522)	(560,522)
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	-	(560,522)	(560,522)
Shares issued during the period	122,281,979	-	-	122,281,979
Total transactions with owners	122,281,979	-	-	122,281,979
At 1 January 2017	122,281,979	-	(560,522)	121,721,457
Comprehensive income for the year				
Loss for the year	-	-	(608,742)	(608,742)
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	(608,742)	(608,742)
Shares issued during the year	14,047,331	12,018,507	-	26,065,838
Total transactions with owners	14,047,331	12,018,507	-	26,065,838
At 31 December 2017	136,329,310	12,018,507	(1,169,264)	147,178,553

The notes on pages 9 to 27 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2017**

1. General information

Concierge Holding Company Limited is a private company limited by shares, incorporated in England and Wales. Its registered office and principal place of activity is 22 Ganton Street, 3rd Floor, London, W1F 7FD, United Kingdom.

The principal activity of the company is that of a holding company.

The financial statements have been presented in USD as this is the currency of the primary economic environment in which the company operates and is rounded to the nearest dollar.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Accor SA as at 31 December 2017 and these financial statements may be obtained from 82 rue Henri Farman 92130 Issy-les-Moulineaux, France.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2017**

2. Accounting policies (continued)

2.3 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Rendering of services

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

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

Depreciation is provided on the following basis:

Office equipment	-	20%
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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 the statement of comprehensive income.

2.5 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each statement of financial position date. Gains and losses on remeasurement are recognised in profit or loss for the period.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2017**

2. Accounting policies (continued)

2.6 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.

2.7 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.

2.8 Financial Instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2017**

2. Accounting policies (continued)

2.9 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.

2.10 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is USD.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the statement of comprehensive income within 'administrative expenses'.

2.11 Finance costs

Finance costs are charged to the statement of comprehensive income 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2017**

2. Accounting policies (continued)

2.12 Share based payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to the statement of comprehensive income over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each statement of financial position date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the company keeping the scheme open or the employee maintaining any contributions required by the scheme).

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to statement of comprehensive income over the remaining vesting period.

Where equity instruments are granted to persons other than employees, the statement of comprehensive income is charged with fair value of goods and services received.

2.13 Taxation

Tax is recognised in the statement of comprehensive income, 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.

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 operates and generates income.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2017**

3. Judgements in applying accounting policies and key sources of estimation uncertainty

Critical judgements in applying the company's accounting policies

The critical judgements that the directors have made in the process of applying the company's accounting policies that have the most significant effect on the amounts recognised in the financial statements are discussed below.

Assessing indicators of impairment

In assessing whether there have been any indicators of impairment assets, the directors have considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience of recoverability. There have been no indicators of impairments identified during the current financial year.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty, that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Recoverability of debtors

The company establishes a provision for debtors that are estimated not to be recoverable. When assessing recoverability the directors consider factors such as the aging of debtors, past experience of recoverability, and the credit profile of individual or groups of customers.

4. Turnover

Analysis of turnover by country of destination:

	31 December 2017 \$	Period ended 31 December 2016 \$
Rest of Europe	1,949,311	1,057,389
Rest of the world	1,539,956	913,188
	<u>3,489,267</u>	<u>1,970,577</u>

Concierge Holding Company Limited

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2017**

5. Operating loss

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

	31 December 2017 \$	Period ended 31 December 2016 \$
Depreciation of tangible fixed assets	1,573	-
Fees payable to the company's auditor and its associates for the audit of the company's annual financial statements	10,300	10,000
Gain/(loss) on exchange differences	(539,471)	(49,534)

6. Auditor's remuneration

	2017 \$	Period ended 31 December 2016 \$
Fees payable to the company's auditor and its associates for the audit of the company's annual financial statements	10,300	10,000
Fees payable to the company's auditor and its associates in respect of:		
Taxation compliance services	2,050	2,000
All other services	2,600	7,500

Concierge Holding Company Limited

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2017**

7. Employees

Staff costs, including directors' remuneration, were as follows:

	31 December 2017 \$	Period ended 31 December 2016 \$
Wages and salaries	233,913	-
Social security costs	29,659	-
	<u>263,572</u>	<u>-</u>

The average monthly number of employees, including the directors, during the period was as follows:

	31 December 2017 No.	Period ended 31 December 2016 No.
Average number of employees	<u>2</u>	<u>-</u>

8. Directors' remuneration

	31 December 2017 \$	Period ended 31 December 2016 \$
Directors' emoluments	54,167	-
	<u>54,167</u>	<u>-</u>

The directors are considered to be the only key management personnel. There were no directors pensions paid by the company in the year (2016: \$nil).

Concierge Holding Company Limited

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2017**

9. Interest payable and similar charges

	31 December 2017 \$	Period ended 31 December 2016 \$
Bank interest payable	1,428	-
Intercompany interest paid	300,556	56,753
	<u>301,984</u>	<u>56,753</u>

10. Taxation**Factors affecting tax charge for the year**

The tax assessed for the period is higher than (2016 - higher than) the standard rate of corporation tax in the UK of 19.25% (2016 - 20%). The differences are explained below:

	31 December 2017 \$	Period ended 31 December 2016 \$
Loss on ordinary activities before tax	(608,742)	(560,522)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.25% (2016 - 20%)	(117,162)	(112,104)
Effects of:		
Non-tax deductible amortisation of goodwill and impairment	32,089	105,177
Adjustments to tax charge in respect of prior periods	11,856	1,039
Income not taxable for tax purposes	(16,497)	-
Deferred tax not recognised	89,714	5,888
Total tax charge for the year/period	<u>-</u>	<u>-</u>

Conclerge Holding Company Limited

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2017**

10. Taxation (continued)**Factors that may affect future tax charges**

A reduction in the UK corporation tax rate from 20% to 19% was substantively enacted in July 2015 and took effect from 1 April 2017. A further reduction in the UK corporation tax rate to 17% from 1 April 2020, was substantively enacted in September 2016.

11. Tangible fixed assets

	Office equipment \$
Cost	
Additions	7,080
At 31 December 2017	<u>7,080</u>
Depreciation	
Charge for the year	1,573
At 31 December 2017	<u>1,573</u>
Net book value	
At 31 December 2017	<u>5,507</u>
At 31 December 2016	<u>-</u>

Conclerge Holding Company Limited

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2017**

12. Fixed asset investments

	Investments in subsidiary companies \$
Cost or valuation	
At 1 January 2017	129,864,748
Additions	535,177
At 31 December 2017	<u>130,399,925</u>
 Net book value	
At 31 December 2017	<u><u>130,399,925</u></u>

Concierge Holding Company Limited

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2017**

12. Fixed asset investments (continued)**Subsidiary undertakings**

The following were subsidiary undertakings of the company:

Name	Class of shares	Holding	Principal activity
Service Concierge SAS	ordinary	87 %	Services concierge
Lesconcierges Inc.	ordinary	100 %	Services concierge
Check Theatre SARL*	ordinary	100 %	Services concierge
John Paul Ltd*	ordinary	100 %	Services concierge
John Paul Service Concierge Ltd*	ordinary	100 %	Services concierge
John Paul Concierge Service Limited*	ordinary	100 %	Services concierge
John Paul USA	ordinary	100 %	Services concierge
Service Concierge*	ordinary	50 %	Services concierge
2 Places at 1 Time Inc.^	ordinary	100 %	Services concierge
Lesconcierges (Europe) Ltd^	ordinary	100 %	Services concierge
Lesconcierges Australia Pty Ltd^	ordinary	100 %	Services concierge
Lesconcierges (Shanghai) Co. Ltd^	ordinary	100 %	Services concierge
Lesconcierges (Singapore) Pte. Ltd^	ordinary	100 %	Services concierge
Service Concierge Canada Ltd^	ordinary	100 %	Services concierge
Service Concierge UK Ltd	ordinary	100 %	Services concierge
Option Gift Ltd (SG)*	ordinary	40.60 %	Services concierge
SC Service Concierge Portugal*	ordinary	100 %	Services concierge
Majordome Luxembourg SA*	ordinary	49 %	Services concierge
Option Gift Ltd (HK)*	ordinary	100 %	Services concierge
Service Concierge Japan Limited^	ordinary	100 %	Services concierge
John Paul Maghreb*	ordinary	100 %	Services concierge

Name	Registered office
Service Concierge SAS	64-66 rue des Archives 75003 Paris, France
Check Theatre SARL*	116bis, avenue des Champs Elysées, 75008 Paris, France
John Paul Service Concierge Ltd*	Room 2701, 27th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, China

Concierge Holding Company Limited

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2017**

12. Fixed asset investments (continued)

Service Concierge*	Belfry House, Bell Lane, Hertford, Hertfordshire, SG14 1BP, United Kingdom
2 Places at 1 Time Inc.^	Inc Foreign Stock 270 Peachtree Street NW, 20th floor, Atlanta GA 30303, United States of America
Lesconcierges (Europe) Ltd^	88 Wood street, EC2V 7AJ London, United Kingdom
Lesconcierges Australia Pty Ltd^	Level 6, 468 St Kilda road, Melbourne VIC 3004, Australia
Lesconcierges (Shanghai) Co. Ltd^	L'avenue - 99 Xian Xia Road, Room 606, Chang Ning District, Shanghai 200051, China
Service Concierge Canada Ltd^	1900-1040 West georgia street, Vancouver BC V6E 4H3, Canada
John Paul USA^	49 Stevenson, Suite 575 , San Francisco, CA 94105, United States of America
Service Concierge UK Ltd*	Belfry House, Bell Lane, Hertford, Hertfordshire, SG14 1BP, United Kingdom
Lesconcierges (Singapore) Pte. Ltd^	1 Jalan Kilang Timor #07-06, Pacific Tech Centre, Singapore 159303, Singapore
John Paul Service Concierge Ltd*	270 East Beijing Road, Room 319, 3F, Huangpu District, Shanghai, CHINA
Option Gift Ltd (SG)*	40B Pagoda Street, Singapore, 059199, Singapore
SC Service Concierge Portugal*	Lagoas Park, Ed. 10 - Piso 2 2740-271 Porto Salvo, Portugal
Majordome Luxembourg SA*	L1470 Luxembourg, 15 route d'Esch, Luxembourg
Option Gift Ltd (HK)*	Flat 2A 22/F Cheuk Nang Plaza250 Hennessy Road, Hong Kong, China
Service Concierge Japan Limited^	7F NBF Hibiya Bldg., 1-1-7 Uchisaiwai-cho, Chiyoda-ku, Tokyo 100-0011, Japan
John Paul Maghreb*	76 Avenue Abdelkrim El Khattabi, 40000 Marrakech, Morocco

* indirect subsidiaries held via Concierge SAS.

^ indirect subsidiaries held via Concierge Inc.

Concierge Holding Company Limited

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2017**

13. Debtors

	2017 \$	2016 \$
Trade debtors	63,349	-
Amounts owed by group undertakings	21,468,870	10,894,168
Other debtors	-	33,474
Prepayments and accrued income	12,638	2,444
	<u>21,544,857</u>	<u>10,930,086</u>

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

14. Cash and cash equivalents

	2017 \$	2016 \$
Cash at bank and in hand	217,852	1,474,513
	<u>217,852</u>	<u>1,474,513</u>

15. Creditors: Amounts falling due within one year

	2017 \$	2016 \$
Trade creditors	16,818	6,527
Amounts owed to group undertakings	4,914,137	12,016,785
Other taxation and social security	34,973	-
Accruals and deferred income	23,661	190,952
	<u>4,989,589</u>	<u>12,214,264</u>

The amounts owed to group undertakings attracted an interest at a rate of US LIBOR plus 0.7%.

Concierge Holding Company Limited

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2017**

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

	2017 \$	2016 \$
Amounts owed to group undertakings	-	8,333,626
	<u>-</u>	<u>8,333,626</u>

The amounts owed to group undertakings attracted an interest at a rate of US LIBOR plus 0.7% and is repayable on 14 December 2018.

17. Financial Instruments

	2017 \$	2016 \$
Financial assets		
Financial assets that are debt instruments measured at amortised cost	21,750,071	12,402,155
	<u>21,750,071</u>	<u>12,402,155</u>
Financial liabilities		
Financial liabilities measured at amortised cost	(10,257,583)	(20,547,890)
	<u>(10,257,583)</u>	<u>(20,547,890)</u>

Financial assets measured at fair value through profit or loss comprise trade debtors, amounts owed by group undertaking, other debtors, and cash and cash equivalents.

Financial liabilities measured at amortised cost comprise trade creditors, amounts owed to group undertakings and accruals.

Concierge Holding Company Limited

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2017**

18. Share capital

	2017 \$	2016 \$
Allotted, called up and fully paid		
18,794,643 (2016: 17,474,000) A ordinary shares shares of \$4.25 each	84,954,772	74,264,500
5,081,841 B1 ordinary shares shares of \$4.25 each	21,597,824	21,597,824
284 B2 ordinary shares shares of \$4.25 each	1,207	1,207
1,350,000 B3 ordinary shares shares of \$4.25 each	5,737,500	5,737,500
616,667 B4 ordinary shares shares of \$4.25 each	2,620,835	2,620,835
3,706,330 B5 ordinary shares shares of \$4.25 each	15,751,903	15,751,903
5,665,268 (2016: 2,308,210) C ordinary shares shares of \$1 each	5,665,268	2,308,210
	<u>136,329,309</u>	<u>122,281,979</u>

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18. Share capital (continued)

On 4 April 2017 the company issued 2,477,308 C ordinary shares at \$4.44 each.

On 13 April 2017 the company issued 2,515,358 A ordinary shares at \$4.44 each and 879,750 C ordinary shares at \$4.44 each.

Rights attached to each class of shares

A ordinary shares are entitled to full voting rights, rights of appointment of three directors exercised in the discretion of a majority of the holders and joint rights of appointment for one director exercised with the B ordinary shares, the shares are not redeemable or liable to be redeemed at the option of the shareholder.

B1 ordinary shares are entitled to full voting rights, rights of appointment of one director exercised in the discretion of a majority of the holders and joint rights of appointment for one director exercised with the A ordinary shares, rights to dividends and return of capital in a distribution of capital arising from a winding up of the company subject to preferential rights of other classes of B ordinary shares, the shares are not redeemable or liable to be redeemed at the option of the shareholder.

B2 ordinary shares are entitled to full voting rights, rights of appointment of one director exercised in the discretion of a majority of the holders of B ordinary shares other than B1 ordinary shares, preferential rights on dividends over B1 ordinary shareholders on payment of a B dividend, preferential rights in a distribution of capital arising from a winding up of the company over B1 ordinary shareholders, the shares are not redeemable or liable to be redeemed at the option of the shareholder.

B3 ordinary shares are entitled to full voting rights, rights of appointment of one director exercised in the discretion of a majority of the holders of B ordinary shares other than B1 ordinary shares, preferential rights on dividends over B1 and B2 ordinary shareholders on payment of a B dividend, preferential rights in a distribution of capital arising from a winding up of the company over B1 and B2 ordinary shareholders, the shares are not redeemable or liable to be redeemed at the option of the shareholder, drag along and tag along rights with the other shareholders.

B4 ordinary shares are entitled to full voting rights, rights of appointment of one director exercised in the discretion of a majority of the holders of B ordinary shares other than B1 ordinary shares, preferential rights on dividends over B1, B2 and B3 ordinary shareholders on payment of a B dividend, preferential rights in a distribution of capital arising from a winding up of the company over B1, B2 and B3 ordinary shareholders, the shares are not redeemable or liable to be redeemed at the option of the shareholder, drag along and tag along rights with the other shareholders.

B5 ordinary shares are entitled to full voting rights, rights of appointment of one director exercised in the discretion of a majority of the holders of B ordinary shares other than B1 ordinary shares, preferential rights on dividends over B1, B2, B3 and B4 ordinary shareholders on payment of a B dividend, fixed annual dividend right which can be settled in cash or in B1 ordinary shares, preferential rights in a distribution of capital arising from a winding up of the company over B1, B2, B3 and B4 ordinary shareholders, the shares are not redeemable or liable to be redeemed at the option of the shareholder.

C ordinary shares are entitled to no voting rights, no rights of appointment of directors; rights to dividends and return of capital in a distribution of capital arising from a winding up of the company subject to preferential rights of other classes of shares; the shares are not redeemable or liable to be redeemed at the option of the shareholder; drag along and tag along rights with the other shareholders.

Conclerge Holding Company Limited

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2017**

19. Reserves

Share premium account

This reserve presents the amount above the nominal value received for issued share capital, less transaction costs.

Profit and loss account

This represents the cumulative profits and losses.

20. Share based payments

During the 2017 financial year no share options were granted.

On 14 September 2016, 1,370,402 share options were granted with a weighted average price of \$1 and exercised on 14 November 2016. No employee services were performed in the year and therefore the exercise price was the same as the grant price.

Included in the above were 200,000 share options granted on 14 November 2015 and 415,134 share options granted on 14 September 2016. These were granted to a director, L M Jenkinson who resigned on 15 November 2016.

Concierge Holding Company Limited

**NOTES TO THE FINANCIAL STATEMENTS
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21. Related party transactions

The company is a subsidiary of Accor SA which holds 78% of its share capital and as such has taken advantage of the exemption permitted by Section 33 'Related party disclosures' not to provide disclosures of transactions entered into with other wholly owned members of the group.

The following amounts were owed by/(to) group undertakings at 31 December 2017:

	2017 \$	2016 \$
Lesconcierges (Europe) Ltd	2,295,571	1,117,635
Lesconcierges Inc.	18,434,864	9,589,728
Accor SA	(1,318,812)	(17,605,858)
Lesconcierges Australia Pty Ltd	421,665	186,805
Service Concierge SAS	(3,595,325)	(2,744,553)
JP Singapore	278,936	-
LC Shanghai Ltd	37,834	-
	<u>16,554,733</u>	<u>(9,456,243)</u>

During the year, the company received management fees of \$1,686,113 (2016: \$1,022,586) and incurred management recharges and recharged expenses of \$3,385,058 (2016: \$1,453,771) from Service Concierge SAS, a company which Concierge Holding Company Limited owns 87%. At year end an amount of \$3,595,325 (2016: \$2,744,553) was outstanding. This amount is included within amounts owed to group undertakings.

During the year the company received a loan of \$1,725,780 (2016: \$17,605,858), repaid \$9,258,299 and received a share consideration of \$5,302,967 from Accor S.A., a company which owns 78% of Concierge Holding Company Limited. At year end an amount of \$1,318,812 was outstanding. This amount is included within amounts owed to group undertakings.

22. Post balance sheet events

On 10 January 2018, Concierge Holding Company Limited acquired an additional 8.2% of Service Concierge SAS for €2,989,608.

23. Controlling party

At the year end, the immediate parent undertaking was Accor SA, a company registered in France, by virtue of its shareholding.

The company and its subsidiary undertakings are included within the consolidated financial statements of Accor SA and these financial statements may be obtained from 82 rue Henri Farman 92130 Issy-les-Moulineaux, France.