

EDINBURGH IC LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019



EDINBURGH IC LIMITED

COMPANY INFORMATION

DIRECTORS

M Cockcroft
M Renshaw
H Wood

COMPANY SECRETARY

F Littlebury-Cuttell

COMPANY NUMBER

SC024663

REGISTERED OFFICE

Caledonian Exchange
19A Canning Street
Edinburgh
EH3 8HE

INDEPENDENT AUDITOR

Ernst & Young LLP
2 St Peter's Square
Manchester
M2 3EY

EDINBURGH IC LIMITED

CONTENTS

	Page
Directors' Report	1 - 3
Directors' Responsibilities Statement	4
Independent Auditor's Report	5 - 7
Income Statement	8
Statement of Financial Position	9
Statement of Changes in Equity	10
Notes to the Financial Statements	11 - 16

EDINBURGH IC LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019**

The directors present their report and the financial statements for the year ended 31 December 2019.

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

Edinburgh IC Limited's (the "Company") principal activity is that of a financing company. It is the intention of the directors that the Company will continue operating in this capacity.

The directors view the results as satisfactory for the current year. The impact of the COVID-19 pandemic is discussed overleaf.

Primarily the Company's transactions are with fellow InterContinental Hotels group (consisting of InterContinental Hotels Group PLC and its subsidiaries) (the "Group") undertakings and as such there are not considered to be any significant risks and uncertainties impacting the Company. Any uncertainties impacting the Company would arise from internal decisions taken within the Group.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £2,240 (2018: £1,738).

The directors do not propose a dividend for the year ended 31 December 2019 (2018: £nil).

DIRECTORS

The directors who served during the year and since the year end were:

M Cockcroft

M Glover (resigned 31 July 2019)

N Henfrey (resigned 24 February 2020)

M Renshaw (appointed 24 February 2020)

H Wood (appointed 31 July 2019)

EDINBURGH IC LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

GOING CONCERN

As of 31 December 2019, the company had net current assets of £461,999 (2018: £459,759).

The Company operates its activities in conjunction with other companies within the Group and therefore relies on the Group for its continued existence. The directors have confirmed that the ultimate parent company, InterContinental Hotels Group PLC, intends to make funds available to the Company to enable it to meet its liabilities as they fall due for a period of at least 12 months from the date of approval of these financial statements.

An overview of the business activities of the Group, including a review of the key business risks that the Group faces, is given in the Strategic Report in the InterContinental Hotels Group PLC Annual Report and Form 20-F 2019. Information on the Group's treasury management policies, including information on covenants and debt facilities; processes for managing its capital; its financial risk management objectives; details of its financial instruments and hedging activities; and its exposures to liquidity risk and credit risk is also given in the Annual Report and Form 20-F 2019.

On 11 March 2020, the World Health Organisation raised the public health emergency situation caused by the outbreak of the coronavirus (COVID-19) to an international pandemic. The rapid evolution of events, nationally and internationally, represents an unprecedented health crisis, which will impact the macroeconomic environment and the evolution of business. The Group's fee-based model and wide geographic spread mean that it is well placed to manage through uncertain times. However, during the COVID-19 crisis some of the Group's hotels have temporarily closed, while others are experiencing historically low levels of occupancy and room rates.

On 27 April 2020, InterContinental Hotels Group PLC announced a financing update which included a waiver of existing covenants on its syndicated revolving credit facility until 31 December 2021 and the issuance of £600m commercial paper under the UK's Covid Corporate Finance Facility, providing total available liquidity for the Group of approximately \$2bn. The covenant waiver agreement introduces a minimum liquidity covenant of \$400m tested at half year and full year until 30 June 2021.

The directors have made enquiries to satisfy themselves that InterContinental Hotels Group PLC is capable of providing support to the Company for at least 12 months, considering a severe but plausible downturn scenario. Accordingly, these financial statements have been prepared on a going concern basis.

QUALIFYING THIRD PARTY INDEMNITY PROVISIONS

A qualifying third party indemnity provision has been granted in favour of existing and former directors of the Company by InterContinental Hotels Limited, in accordance with Section 232 of the Companies Act 2006. A copy of this indemnity provision is available for inspection by the members of the Company at the ultimate parent Company's registered office at Broadwater Park, Denham, Buckinghamshire, UB9 5HR.

DISCLOSURE 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 that director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- that 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.

EDINBURGH IC LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019**

POST BALANCE SHEET EVENTS

The impact of the COVID-19 pandemic is discussed on page 2.

The Company has concluded that the COVID-19 crisis is a non-adjusting post balance sheet event as at 31 December 2019 on the basis that the World Health Organisation was first informed of cases of a new virus in Wuhan on 31 December and as such had not declared a global health emergency at that date. Consequently, no adjustments have been made to the Company's reported results or financial position as a result of COVID-19.

The future financial impact cannot presently be estimated as it is highly dependent on the severity and duration of the pandemic, but as the Company is a financing company, it is unlikely to have a material impact on the Company's results or financial position.

AUDITOR


The auditor, Ernst & Young LLP, will be proposed for reappointment in accordance with Section 485 of the Companies Act 2006.

In accordance with regulations mandating a Group audit tender for the 2021 financial year, the Group conducted an audit contract tender in 2019. In August 2019, the Group announced the Board's intention to propose to shareholders at the 2021 Annual General Meeting that PricewaterhouseCoopers LLP be appointed as the Group's statutory auditor for the financial year ending 31 December 2021.

Ernst & Young LLP will remain the Group's and Company's auditor for the financial year ending 31 December 2020.

This report has been prepared in accordance with the small companies exemption.

This report was approved by the Board and signed on its behalf by:


Melinda Renshaw

Director
Date: 29 May 2020

EDINBURGH IC LIMITED

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2019**

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 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 Company and the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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; 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 responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EDINBURGH IC LIMITED

OPINION

We have audited the financial statements of Edinburgh IC Limited (the 'Company') for the year ended 31 December 2019 which comprise the Income Statement, the Statement of Financial Position, the Statement of Changes in Equity and the related notes 1 to 12, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the Company's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EDINBURGH IC LIMITED (CONTINUED)

EMPHASIS OF MATTER - DISCLOSURES IN RELATION TO THE EFFECTS OF COVID-19

We draw attention to note 1.3 and note 11 of the financial statements, which describe the economic consequences the Company is facing as a result of COVID-19 which is impacting consumer demand across the wider InterContinental Hotels group. Our opinion is not modified in respect of this matter.

OTHER INFORMATION

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

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

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

We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EDINBURGH IC LIMITED (CONTINUED)

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

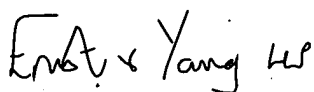
AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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 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.



Julian Yates (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Manchester

Date: 1/6/20

EDINBURGH IC LIMITED

**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2019**

	<i>Note</i>	<i>2019</i> £	<i>2018</i> £
Interest receivable	5	2,765	2,146
Profit before taxation		2,765	2,146
Taxation	6	(525)	(408)
Profit for the year		<u>2,240</u>	<u>1,738</u>

The notes on pages 11 to 16 form part of these financial statements.

There were no recognised gains and losses for the current or prior year other than those included in the Income Statement.

All amounts relate to continuing operations.

EDINBURGH IC LIMITED
REGISTERED NUMBER:SC024663

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

	<i>Note</i>	<i>2019</i> £	<i>2018</i> £
Current assets			
Debtors	7	462,933	460,167
Creditors: Amounts falling due within one year	8	(934)	(408)
Net assets		<u>461,999</u>	<u>459,759</u>
Capital and reserves			
Called up share capital	9	546,667	546,667
Share premium account	10	145,406	145,406
Profit and loss account		(230,074)	(232,314)
Total equity		<u>461,999</u>	<u>459,759</u>

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



Melinda Renshaw

Director

Date: 29 May 2020

The notes on pages 11 to 16 form part of these financial statements.

EDINBURGH IC LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019**

	<i>Called up share capital</i>	<i>Share premium account</i>	<i>Profit and loss account</i>	<i>Total equity</i>
	£	£	£	£
At 1 January 2018	546,667	145,406	(234,052)	458,021
Profit for the year	-	-	1,738	1,738
At 1 January 2019	546,667	145,406	(232,314)	459,759
Profit for the year	-	-	2,240	2,240
At 31 December 2019	546,667	145,406	(230,074)	461,999

The notes on pages 11 to 16 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

1. ACCOUNTING POLICIES

1.1 STATEMENT OF COMPLIANCE WITH FRS 101

The Company is incorporated and domiciled in Scotland.

The Company's financial statements are presented in sterling and all values are rounded to the nearest pound (£), except where otherwise indicated.

These financial statements have been prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' ("FRS 101").

The Company's ultimate parent undertaking, InterContinental Hotels Group PLC includes the Company in its consolidated financial statements. The consolidated financial statements of InterContinental Hotels Group PLC are prepared in accordance with International Financial Reporting Standards as adopted by the EU and are publicly available and may be obtained from the address given in note 12.

1.2 BASIS OF PREPARATION

These financial statements have been prepared in accordance with FRS 101, as applied in accordance with the provisions of the Companies Act 2006. FRS 101 sets out a reduced disclosure framework for a "qualifying entity" as defined in the standard which addresses the financial reporting requirements and disclosure exemptions in the individual financial statements of qualifying entities that otherwise apply the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU.

The following disclosures have not been provided as permitted by FRS 101:

- a Cash Flow Statement and related notes as required by IAS 7 'Statement of Cash Flows';
- a comparative period reconciliation for share capital as required by IAS 1 'Presentation of Financial Statements';
- disclosures in respect of transactions with wholly owned subsidiaries as required by IAS 24 'Related Party Disclosures';
- disclosures in respect of capital management as required by paragraphs 134 to 136 of IAS 1 'Presentation of Financial Statements';
- the effects of new but not yet effective IFRSs as required by paragraphs 30 and 31 of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'; and
- disclosures in respect of the compensation of Key Management Personnel as required by paragraph 17 of 'IAS 24 Related Party Disclosures'.

As the consolidated financial statements of InterContinental Hotels Group PLC include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- the requirements of paragraph 91 to 99 of IFRS 13 'Fair Value Measurement' and the disclosures required by IFRS 7 'Financial Instrument: Disclosures'.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

1. ACCOUNTING POLICIES (CONTINUED)

1.3 GOING CONCERN

As of 31 December 2019, the Company had net current assets of £461,999 (2018: £459,759).

The Company operates its activities in conjunction with other companies within the Group and therefore relies on the Group for its continued existence. The directors have confirmed that the ultimate parent company, InterContinental Hotels Group PLC, intends to make funds available to the Company to enable it to meet its liabilities as they fall due for a period of at least 12 months from the date of approval of these financial statements.

An overview of the business activities of the Group, including a review of the key business risks that the Group faces, is given in the Strategic Report in the InterContinental Hotels Group PLC Annual Report and Form 20-F 2019. Information on the Group's treasury management policies, including information on covenants and debt facilities; processes for managing its capital; its financial risk management objectives; details of its financial instruments and hedging activities; and its exposures to liquidity risk and credit risk is also given in the Annual Report and Form 20-F 2019.

On 11 March 2020, the World Health Organisation raised the public health emergency situation caused by the outbreak of the coronavirus (COVID-19) to an international pandemic. The rapid evolution of events, nationally and internationally, represents an unprecedented health crisis, which will impact the macroeconomic environment and the evolution of business. The Group's fee-based model and wide geographic spread mean that it is well placed to manage through uncertain times. However, during the COVID-19 crisis some of the Group's hotels have temporarily closed, while others are experiencing historically low levels of occupancy and room rates.

On 27 April 2020, InterContinental Hotels Group PLC announced a financing update which included a waiver of existing covenants on its syndicated revolving credit facility until 31 December 2021 and the issuance of £600m commercial paper under the UK's Covid Corporate Finance Facility, providing total available liquidity for the Group of approximately \$2bn. The covenant waiver agreement introduces a minimum liquidity covenant of \$400m tested at half year and full year until 30 June 2021.

The directors have made enquiries to satisfy themselves that InterContinental Hotels Group PLC is capable of providing support to the Company for at least 12 months, considering a severe but plausible downturn scenario. Accordingly, these financial statements have been prepared on a going concern basis.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

1. ACCOUNTING POLICIES (CONTINUED)

1.4 NON DERIVATIVE FINANCIAL INSTRUMENTS

Non derivative financial instruments comprise amounts owed by and to Group undertakings.

Amounts owed by Group undertakings

Amounts owed by Group undertakings are recorded at their original amount less provision for expected credit losses. The Company has elected to apply the simplified version of the expected credit loss model permitted by IFRS 9 in respect of amounts owed by Group undertakings, which involves assessing lifetime expected credit losses on all balances. The carrying amount of the receivable is reduced through the use of a provision account and movements in the provision are recognised in the Income Statement within administrative expenses.

Amounts owed to Group undertakings

Amounts owed to Group undertakings are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

1.5 INCOME

Interest receivable is recognised in the Income Statement as it accrues, using the effective interest rate method.

1.6 TAXATION

Tax on the profit or loss for the year comprises current tax. Tax is recognised in the Income Statement except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from, or paid to, the tax authorities, including interest. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period.

The taxation liabilities of certain Group entities are reduced wholly or in part by the surrender of losses by fellow Group undertakings, with these losses normally being paid for at the effective standard UK tax rate applying for the period in question. The impacts of such surrenders are recognised in the financial statements of both the surrendering and recipient companies.

2. AUDITOR'S REMUNERATION

The Company incurred auditor's remuneration of £3,000 (2018: £3,000) which has been borne by a fellow Group undertaking in the current and preceding year.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

3. DIRECTORS' REMUNERATION

The directors are also directors of other subsidiary undertakings within the Group and their remuneration, including share-based payment charges, for the year was paid by other undertakings. The directors did not receive any remuneration in relation to the Company as the qualifying services provided to the Company was incidental to the qualifying services provided to other subsidiary undertakings.

4. STAFF COSTS

The Company has no employees (2018: no employees).

5. INTEREST RECEIVABLE

	2019 £	2018 £
Interest receivable from Group undertakings	2,765	2,146

6. TAXATION

	2019 £	2018 £
UK corporation tax		
Current tax on profit for the year	525	408

FACTORS AFFECTING TAX CHARGE FOR THE YEAR

There were no factors that affected the tax charge for the year which has been calculated on the profit before tax at the effective standard rate of corporation tax in the UK of 19.00% (2018: 19.00%).

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

A reduction in the rate of corporation tax to 17% (effective 1 April 2020) was enacted in 2016.

In his budget of 2020, the Chancellor of the Exchequer proposed measures to hold the rate of corporation tax at 19%, effective 1 April 2020. The change was substantively enacted on 17 March 2020, after the balance sheet date.

There is no provided or unprovided deferred tax.

EDINBURGH IC LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

7. DEBTORS

	2019 £	2018 £
Due within one year		
Amounts owed by Group undertakings	462,933	460,167

Amounts owed by Group undertakings are unsecured, interest bearing, have no fixed date of repayment and are repayable on demand.

8. CREDITORS: Amounts falling due within one year

	2019 £	2018 £
Amounts owed to Group undertakings	408	-
Corporation tax	526	408
	<u>934</u>	<u>408</u>

9. SHARE CAPITAL

	2019 £	2018 £
Allotted, called up and fully paid		
2,186,667 ordinary shares of £0.25 each	546,667	546,667

The Company no longer has an authorised share capital.

10. RESERVES**Share premium**

The balance classified as share premium represents the amount of proceeds received for shares in excess of their nominal value.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

11. POST BALANCE SHEET EVENTS

The impact of the COVID-19 pandemic is discussed on page 12.

The Company has concluded that the COVID-19 crisis is a non-adjusting post balance sheet event as at 31 December 2019 on the basis that the World Health Organisation was first informed of cases of a new virus in Wuhan on 31 December and as such had not declared a global health emergency at that date. Consequently, no adjustments have been made to the Company's reported results or financial position as a result of COVID-19.

The future financial impact cannot presently be estimated as it is highly dependent on the severity and duration of the pandemic, but as the Company is a financing company, it is unlikely to have a material impact on the Company's results or financial position.

12. CONTROLLING PARTY

As at 31 December 2019, InterContinental Hotels Group PLC, a company incorporated and registered in England and Wales, was the ultimate parent undertaking and controlling party of the Company. The registered office of the ultimate parent undertaking is Broadwater Park, Denham, Buckinghamshire, UB9 5HR.

The largest and smallest group in which the results of the Company are consolidated is that headed by InterContinental Hotels Group PLC. Consolidated financial statements of InterContinental Hotels Group PLC are available from the following address:

Companies House, Crown Way, Cardiff, CF14 3UZ.

The immediate parent undertaking is IHC Edinburgh (Holdings), a company registered in England and Wales. The registered office of the immediate parent undertaking is Broadwater Park, Denham, Buckinghamshire, UB9 5HR.