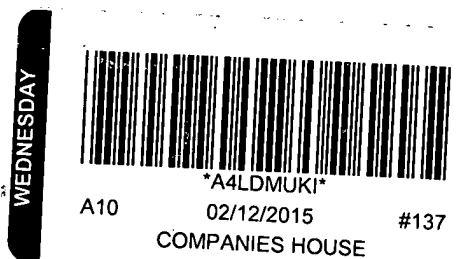


COMPANY REGISTRATION NUMBER 08760458

TOPLAND HOTELS (NO.13) LIMITED

FINANCIAL STATEMENTS

31 MAY 2015



TOPLAND HOTELS (NO.13) LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 MAY 2015

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TOPLAND HOTELS (NO.13) LIMITED
OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

Mr M S Kingston
Mr S Zakay
Mr L J Benjamin

Company secretary

Mrs C F Moharm

Registered office

55 Baker Street
London
W1U 7EU

Auditor

Kilsby & Williams LLP
Chartered Accountants
& Statutory Auditor
Cedar House
Hazell Drive
Newport
NP10 8FY

Bankers

Barclays Bank plc
50 Pall Mall
London
SW1A 1QA

TOPLAND HOTELS (NO.13) LIMITED

DIRECTORS' REPORT

YEAR ENDED 31 MAY 2015

The directors present their report and the financial statements of the group for the year ended 31 May 2015.

BUSINESS REVIEW

The principal activity of the group during the financial period was that of owning and leasing the Menzies Head Office, Bakum House, Derby.

Given the straightforward nature of the business and private ownership, the company directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the Company.

RESULTS AND DIVIDENDS

The loss for the year, after taxation, amounted to £365,190. The directors have not recommended a dividend.

FINANCIAL INSTRUMENTS

The group's principal instruments comprise of loans to and from related companies. The main purpose of these instruments is to fund the group's operations. The group manages the liquidity risk by ensuring there are sufficient funds to meet these payments.

DIRECTORS

The directors who served the company during the year were as follows:

Mr R W Jones
Mr M S Kingston
Mrs C F Moharm
Mr E Zakay
Mr S Zakay
Mr L J Benjamin

Mr L J Benjamin was appointed as a director on 3 November 2014.

Mrs C F Moharm retired as a director on 3 November 2014.

Mr E Zakay retired as a director on 3 November 2014.

Mr R W Jones retired as a director on 9 July 2015.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under that law 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 group and of the profit or loss of the group for that year.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;

TOPLAND HOTELS (NO.13) LIMITED

DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 MAY 2015

- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

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

AUDITOR

Kilsby & Williams LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Each of the persons who is a director at the date of approval of this report confirm that:

- so far as each director is aware, there is no relevant audit information of which the group's auditor is unaware; and
- each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Signed by order of the directors



Mrs C F Moharm
Company Secretary

Approved by the directors on12/11/15

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF TOPLAND HOTELS (NO.13) LIMITED YEAR ENDED 31 MAY 2015

We have audited the group and parent company financial statements of Topland Hotels (No.13) Limited for the year ended 31 May 2015 which comprise the Profit and Loss Account, Group Statement of Total Recognised Gains and Losses, Group Balance Sheet and Company Balance Sheet, Group Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's shareholders, 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 shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' Responsibilities Statement set out on pages 2 to 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent company's affairs as at 31 May 2015 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

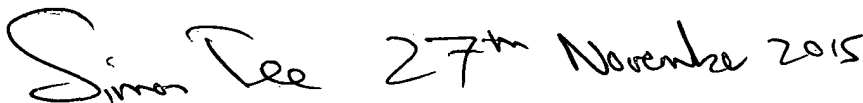
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS
OF TOPLAND HOTELS (NO.13) LIMITED (CONTINUED)
YEAR ENDED 31 MAY 2015**

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

A handwritten signature in black ink that reads "Simon Tee 27th November 2015".

Simon Tee (Senior Statutory Auditor)
For and on behalf of
Kilsby & Williams LLP
Chartered Accountants & Statutory Auditor

Cedar House
Hazell Drive
Newport
NP10 8FY

TOPLAND HOTELS (NO.13) LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 MAY 2015

		Year to 31 May 15 £	Period from 4 Nov 13 to 31 May 14 £
GROUP TURNOVER	Note 2	–	30,247
Administrative expenses		(345,940)	(39,001)
OPERATING LOSS	3	(345,940)	(8,754)
Attributable to:			
Operating loss before exceptional items		(345,940)	(21,378)
Exceptional items	3	–	12,624
		(345,940)	(8,754)
Interest receivable		20	–
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(345,920)	(8,754)
Tax on loss on ordinary activities	5	(19,270)	19,270
(LOSS)/PROFIT FOR THE FINANCIAL YEAR	6	(365,190)	10,516

All of the activities of the group were discontinued during the year.

The company has taken advantage of section 408 of the Companies Act 2006
not to publish its own Profit and Loss Account.

The notes on pages 11 to 18 form part of these financial statements.

TOPLAND HOTELS (NO.13) LIMITED

GROUP STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

YEAR ENDED 31 MAY 2015

	Year to 31 May 15 £	Period from 4 Nov 13 to 31 May 14 £
(Loss)/Profit for the financial year attributable to the shareholders of the parent company	(365,190)	10,516
Unrealised profit on revaluation of certain fixed assets	—	288,953
Total gains and losses recognised since the last annual report	<u>(365,190)</u>	<u>299,469</u>

The notes on pages 11 to 18 form part of these financial statements.

TOPLAND HOTELS (NO.13) LIMITED

GROUP BALANCE SHEET

31 MAY 2015

	Note	2015 £	2014 £
FIXED ASSETS			
Intangible assets	7	—	336,559
Tangible assets	8	—	900,000
		<u>—</u>	<u>1,236,559</u>
CURRENT ASSETS			
Debtors	10	21,886	50,517
CREDITORS: Amounts falling due within one year	12	86,607	986,607
NET CURRENT LIABILITIES		<u>(64,721)</u>	<u>(936,090)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(64,721)</u>	<u>300,469</u>
CAPITAL AND RESERVES			
Called up equity share capital	14	1,000	1,000
Revaluation reserve	15	—	288,953
Profit and loss account	15	(65,721)	10,516
(DEFICIT)/SHAREHOLDERS' FUNDS	16	<u>(64,721)</u>	<u>300,469</u>

These accounts were approved by the directors and authorised for issue on 21/11/15, and are signed on their behalf by:

.....
Mr S Zakay



The notes on pages 11 to 18 form part of these financial statements.

TOPLAND HOTELS (NO.13) LIMITED

BALANCE SHEET

31 MAY 2015

	Note	2015 £	2014 £
FIXED ASSETS			
Investments	9	<u>85,001</u>	<u>985,001</u>
CURRENT ASSETS			
Debtors	10	1,000	1,000
CREDITORS: Amounts falling due within one year	12	<u>86,964</u>	<u>985,857</u>
NET CURRENT LIABILITIES		<u>(85,964)</u>	<u>(984,857)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(963)</u>	<u>144</u>
CAPITAL AND RESERVES			
Called up equity share capital	14	1,000	1,000
Profit and loss account	15	<u>(1,963)</u>	<u>(856)</u>
(DEFICIT)/SHAREHOLDERS' FUNDS		<u>(963)</u>	<u>144</u>

These accounts were approved by the directors and authorised for issue on 12/11/15, and are signed on their behalf by:

.....
Mr S Zakay

Company Registration Number: 08760458



The notes on pages 11 to 18 form part of these financial statements.

TOPLAND HOTELS (NO.13) LIMITED

GROUP CASH FLOW CASH FLOW STATEMENT

YEAR ENDED 31 MAY 2015

		Year to	Period from
	Note	31 May 15	4 Nov 13 to
		£	31 May 14
NET CASH OUTFLOW FROM OPERATING ACTIVITIES	17	–	–
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	17	–	–
TAXATION	17	–	–
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	17	–	–
ACQUISITIONS AND DISPOSALS	17	–	–
CASH INFLOW BEFORE FINANCING		–	–
FINANCING	17	–	–
INCREASE IN CASH		–	–

The notes on pages 11 to 18 form part of these financial statements.

TOPLAND HOTELS (NO.13) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MAY 2015

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets and in accordance with applicable accounting standards.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and all group undertakings. These are adjusted, where appropriate, to conform to group accounting policies. Acquisitions are accounted for under the acquisition method and goodwill on consolidation is capitalised and written off over ten years from the year of acquisition. The results of companies acquired or disposed of are included in the profit and loss account after or up to the date that control passes respectively. As a consolidated profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006.

Related parties transactions

The company is a wholly owned subsidiary of Topland Group Holdings International Limited, a company registered in the British Virgin Islands. Accordingly, the company has taken advantage of the exemption in FRS 8 from disclosing transactions with members or investees of this group.

Turnover

Turnover is defined as the amounts derived from the leasing of hotel property falling within the company's ordinary activities after the deduction of value added tax and any other sales based taxes. Turnover is recognised as the proportion of lease rental payments due to date. Where payments are received from lessees in advance, the amounts are recorded as deferred income and included as part of creditors within one year.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Goodwill - 10% straight line

Fixed assets

All fixed assets are initially recorded at cost or valuation.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant & Machinery - 6.67% - 20% straight line

TOPLAND HOTELS (NO.13) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MAY 2015

1. ACCOUNTING POLICIES *(continued)*

Depreciation is not provided on land nor charged on freehold or long leasehold buildings as it is not material. Short leasehold buildings are depreciated over the unexpired term of the lease when less than 50 years.

In accordance with FRS 15, an annual impairment review was performed on freehold and long leasehold buildings. The group will commission a full valuation of its properties by a qualified valuer at least once every five years with an interim valuation in the third year or more frequently where it is likely there has been a material change in value.

An amount equal to the excess of the annual depreciation charge on revalued assets over the notional historical cost depreciation charge on those assets is transferred annually from the revaluation reserve to the profit and loss reserve.

Deferred 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 have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

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

Financial instruments

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 entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

TOPLAND HOTELS (NO.13) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MAY 2015

1. ACCOUNTING POLICIES *(continued)*

Lessor / lessee accounting

Rentals received under operating leases are accounted for on a straight-line basis as turnover with any rental increases recognised during the period to which they relate.

2. TURNOVER

The turnover and loss before tax are attributable to the one principal activity of the group.

An analysis of turnover is given below:

	Year to 31 May 15 £	Period from 4 Nov 13 to 31 May 14 £
United Kingdom	-	30,247

3. OPERATING LOSS

Operating loss is stated after charging/(crediting):

	Year to 31 May 15 £	Period from 4 Nov 13 to 31 May 14 £
Directors' remuneration	-	-
Amortisation of intangible assets	336,559	37,395
Depreciation of owned fixed assets	-	12,624
Auditor's remuneration - audit of the financial statements	803	803
Auditor's remuneration - other fees	803	803
Reversal of depreciation on revaluation	-	(12,624)
	<u>2015</u>	<u>2014</u>
	£	£
Auditor's remuneration - audit of the financial statements	803	803
Auditor's remuneration - other fees:		
- Preparation of statutory accounts	803	803

4. PARTICULARS OF EMPLOYEES

The monthly average of directors employed during the period was 4 (2014 - 4). No amounts were paid by the group to the directors.

The group had no other employees during either the current or previous periods.

TOPLAND HOTELS (NO.13) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MAY 2015

5. TAXATION ON ORDINARY ACTIVITIES

Analysis of charge in the year

	Year to 31 May 15 £	Period from 4 Nov 13 to 31 May 14 £
Deferred tax:		
Origination and reversal of timing differences		
Provision deferred tax; decelerated capital allowances	19,270	(19,270)

Factors affecting current tax charge

The tax assessed on the loss on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 20.83% (2014 - 22.42%).

	Year to 31 May 15 £	Period from 4 Nov 13 to 31 May 14 £
Loss on ordinary activities before taxation	(345,920)	(8,754)
Loss on ordinary activities by rate of tax	(72,057)	(1,962)
Expenses not deductible for tax purposes	71,050	8,472
Capital allowances for period in excess of depreciation	(18,697)	2,830
Utilisation of tax losses	-	(2,574)
Transfer price adjustment	(10,927)	-
Reversal of depreciation on revaluation	-	(2,830)
Group relief claimed at nil value	(9,028)	(3,936)
Capital gain on disposal	39,659	-
Total current tax	-	-

6. LOSS ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY

The loss dealt with in the financial statements of the parent company was £(1,107) (2014 - £(856)).

TOPLAND HOTELS (NO.13) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MAY 2015

7. INTANGIBLE ASSETS

Group	Goodwill £
COST	
At 1 June 2014 and 31 May 2015	<u>373,954</u>
AMORTISATION	
At 1 June 2014	37,395
Charge for the year	<u>336,559</u>
At 31 May 2015	<u>373,954</u>
NET BOOK VALUE	
At 31 May 2015	<u>-</u>
At 31 May 2014	<u>336,559</u>

8. TANGIBLE ASSETS

Group	Freehold Property £
COST	
At 1 June 2014	900,000
Disposals	<u>(900,000)</u>
At 31 May 2015	<u>-</u>
DEPRECIATION	
At 1 June 2014 and 31 May 2015	<u>-</u>
NET BOOK VALUE	
At 31 May 2015	<u>-</u>
At 31 May 2014	<u>900,000</u>

9. INVESTMENTS

Company	Group companies £
COST	
At 1 June 2014 and 31 May 2015	<u>1</u>
LOANS	
At 1 June 2014	985,000
Repaid in year	<u>(900,000)</u>
At 31 May 2015	<u>85,000</u>
NET BOOK VALUE	
At 31 May 2015	<u>85,001</u>
At 31 May 2014	<u>985,001</u>

TOPLAND HOTELS (NO.13) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MAY 2015

9. INVESTMENTS (continued)

	Country of incorporation	Holding	Proportion of voting rights and shares held	Nature of business
Subsidiary undertakings				
All held by the company:				
Menzies Hotels Property No. 11 Limited	England and Wales	Ordinary shares	100%	Property Holding Company

10. DEBTORS

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Amounts owed by group undertakings	20,886	–	–	–
Deferred taxation (Note 11)	–	19,270	–	–
Called up share capital not paid	1,000	1,000	1,000	1,000
Prepayments and accrued income	–	30,247	–	–
	<u>21,886</u>	<u>50,517</u>	<u>1,000</u>	<u>1,000</u>

11. DEFERRED TAXATION

The movement in the deferred taxation provision during the year was:

	Group		Company	
	Year to 31 May 15	Period from 4 Nov 13 to 31 May 14	Year to 31 May 15	Period from 4 Nov 13 to 31 May 14
	£	£	£	£
Asset brought forward	(19,270)	–	–	–
Increase/(Decrease) in provision	19,270	(19,270)	–	–
Asset carried forward	<u>–</u>	<u>(19,270)</u>	<u>–</u>	<u>–</u>

The group's provision for deferred taxation consists of the tax effect of timing differences in respect of:

Group	2015		2014	
	Provided £	Unprovided £	Provided £	Unprovided £
Provision deferred tax; decelerated capital allowances	<u>–</u>	<u>–</u>	<u>(19,270)</u>	<u>–</u>

TOPLAND HOTELS (NO.13) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MAY 2015

11. DEFERRED TAXATION *(continued)*

A deferred tax asset of £nil has been recognised at 31 May 2015 (period ended 31 May 2014 - £19,270) in respect of decelerated capital allowances. This asset has been recognised on the basis that capital allowances will be claimed in future accounting periods and the asset will therefore reverse as the capital allowances are claimed.

A deferred tax asset has not been recognised in respect of losses given the uncertainty regarding their recoverability. The estimated value of the deferred tax asset not recognised, measured at a standard rate of 20% is £nil (period ended 31 May 2014 - £6,141).

12. CREDITORS: Amounts falling due within one year

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Amounts owed to group undertakings	85,001	985,001	86,108	985,001
Accruals and deferred income	1,606	1,606	856	856
	<u>86,607</u>	<u>986,607</u>	<u>86,964</u>	<u>985,857</u>

13. RELATED PARTY TRANSACTIONS

In accordance with FRS 8, transactions with wholly owned entities within the group are not disclosed.

14. SHARE CAPITAL

Allotted and called up:

	2015		2014	
	No	£	No	£
shares of £1 each	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

The amounts of paid up share capital for the following categories of shares differed from the called up share capital stated above due to unpaid calls and were as follows:

	2015	2014
	£	£
shares	<u>1,000</u>	<u>1,000</u>

15. RESERVES

Group	Revaluation reserve	Profit and loss account
	£	£
Balance brought forward	288,953	10,516
Loss for the year	—	(365,190)
Other movements		
- transfer to/from revaluation reserve	(288,953)	288,953
Balance carried forward	<u>—</u>	<u>(65,721)</u>

TOPLAND HOTELS (NO.13) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MAY 2015

15. RESERVES (continued)

Company	Profit and loss account £
Balance brought forward	(856)
Loss for the year	(1,107)
Balance carried forward	<u>(1,963)</u>

16. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2015 £	2014 £
(Loss)/Profit for the financial year	(365,190)	10,516
Other net recognised gains and losses	—	288,953
New ordinary share capital subscribed	—	1,000
Transfer from revaluation reserve	288,953	—
Amortisation of issue expenses on non-equity shares	—	—
Transfer to profit and loss account	(288,953)	—
Net (reduction)/addition to shareholders' funds	(365,190)	300,469
Opening shareholders' funds	300,469	—
Closing shareholders' (deficit)/funds	<u>(64,721)</u>	<u>300,469</u>

17. NOTES TO THE CASH FLOW STATEMENT

RECONCILIATION OF OPERATING LOSS TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES

	Year to 31 May 15 £	Period from 4 Nov 13 to 31 May 14 £
Operating loss	(345,940)	(8,754)
Amortisation	336,559	37,395
Depreciation	—	12,624
Decrease/(increase) in debtors	9,381	(30,247)
Increase in creditors	—	1,606
Reversal of depreciation on revaluation	—	(12,624)
Net cash outflow from operating activities	<u>—</u>	<u>—</u>

18. ULTIMATE PARENT COMPANY

In the opinion of the directors, the company's ultimate parent company and controlling party is Topland Group Holdings International Limited, a company registered in the British Virgin Islands.

The immediate parent undertaking is Browngrove Properties Limited, a company registered in Gibraltar.

The largest and smallest group in which the results of this company are consolidated is that headed by Topland Group Holdings Limited, a company registered in the British Virgin Islands.