

FATTAL LEONARDO HOTELS (UK) LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED
31 DECEMBER 2015

Company Number: 09237813

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FATTAL LEONARDO HOTELS (UK) LIMITED
REPORT AND FINANCIAL ACTIVITIES
FOR THE PERIOD ENDED 31 DECEMBER 2015

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FATTAL LEONARDO HOTELS (UK) LIMITED

COMPANY INFORMATION

FOR THE PERIOD ENDED 31 DECEMBER 2015

Directors

Saar Sharon
Daniel Roger

Registered Office

Leonardo Hotel
London Heathrow Airport
West Drayton
London
WB7 ODP

Company number

09237813

Auditors

haysmacintyre
26 Red Lion Square
London
WC1R 4AG

FATTAL LEONARDO HOTELS (UK) LIMITED

DIRECTORS' REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2015

The Directors present their annual report on the affairs of the company, together with the financial statements for the period ended 31 December 2015.

RESULTS AND DIVIDENDS

The Company made a loss after taxation of £246,694. The Directors do not propose a dividend.

DIRECTORS

The Directors of the Company during the period are set out below:

Saar Sharon

Daniel Roger

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 period. Under that law the directors have elected to prepare the financial statements in accordance with International Reporting Standards ("IFRS") as adopted by the European Union ("EU") and to prepare the company financial statements in accordance with IFRS as adopted by the EU. 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 and profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

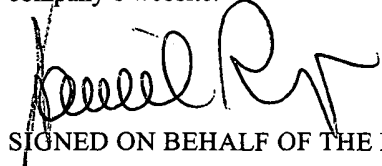
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRSs adopted by the EU;
- prepare the financial statements on the going concern basis unless it is inappropriate 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.

In the case of each person who was a director at the time this report was approved:

- 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 steps that the director ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website.



SIGNED ON BEHALF OF THE BOARD

Daniel Roger

Director

20 June 2016

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF FATTAL LEONARDO HOTELS (UK) LIMITED

FOR THE PERIOD ENDED 31 DECEMBER 2015

We have audited the financial statements of Fattal Leonardo Hotels (UK) Limited for the period ended 31 December 2015 which comprise the Income Statement and Statement of Comprehensive Income, the Statement of Changes in Equity, the Statement of Financial Position, the Statement of Cash flows, and the related notes. The financial reporting framework that has been applied in their preparation of the company financial statements is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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 auditors' 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 members, as a body, for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 2, 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2015 and of the company's loss for the period the ended,
- have been properly prepared in accordance with IFRS as adopted by the European Union, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

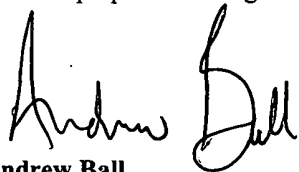
Opinion on other matters prescribed by the Companies Act 2006

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

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, 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.
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic report.



Andrew Ball
Senior Statutory Auditor
for and on behalf of haysmacintyre
Statutory Auditors

26 Red Lion Square
London
WC1R 4AG

20 June 2016

FATTAL LEONARDO HOTELS (UK) LIMITED**INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME****FOR THE PERIOD ENDED 31 DECEMBER 2015**

	Note	2015 £
Continuing operations:		
Administrative expenses		(246,694)
LOSS FOR THE PERIOD BEFORE TAXATION		<hr/>
Taxation	6	-
NET LOSS AND TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		<hr/> <hr/> (246,694) <hr/>

The accompanying accounting policies and notes are an integral part of these financial statements

STATEMENT OF CHANGES IN EQUITY**FOR THE PERIOD ENDED 31 DECEMBER 2015**

	Share Capital £	Retained Losses £	Total Equity £
Share issue	1		1
Loss for the period and total comprehensive loss for the period		(246,694)	(246,694)
Balance at 31 December 2015	<hr/> 1 <hr/>	<hr/> (246,694) <hr/>	<hr/> (246,693) <hr/>

The accompanying accounting policies and notes are an integral part of these financial statements.

FATTAL LEONARDO HOTELS (UK) LIMITED**STATEMENT OF FINANCIAL POSITION****FOR THE PERIOD ENDED 31 DECEMBER 2015****Company number: 09237813**

	Note	2015 £
ASSETS		
Non-current assets		
Investments	8	2
		<u>2</u>
Current assets		
Trade and other receivables	9	4,448
Cash and cash equivalents	10	66,416
		<u>70,864</u>
Total current assets		<u>70,864</u>
TOTAL ASSETS		<u><u>70,866</u></u>
EQUITY		
Capital and reserves attributable to the shareholders of the company		
Share capital	13	1
Retained earnings		(246,694)
		<u>(246,693)</u>
Total equity		<u>(246,693)</u>
LIABILITIES		
Current liabilities		
Trade and other payables	11	112,281
Long term liabilities		
Amounts owed to group undertakings	12	205,278
		<u>317,559</u>
Total liabilities		<u>317,559</u>
TOTAL EQUITY AND LIABILITIES		<u><u>70,866</u></u>

These financial statements were approved by the Board of Directors on 20 June 2016 and were signed on its behalf by:



Daniel Roger
Director

The accompanying accounting policies and notes are an integral part of these financial statements.

FATTAL LEONARDO HOTELS (UK) LIMITED**STATEMENT OF CASH FLOWS****FOR THE PERIOD ENDED 31 DECEMBER 2015**

	Note	2015 £
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation		(246,694)
(Increase)/decrease in trade and other receivables		(4,448)
Increase/(decrease) in trade and other payables		317,559
NET CASH OUTFLOW FROM OPERATING ACTIVITIES		<u>66,417</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Issue of shares		1
Share issue costs		(2)
NET CASH INFLOW FROM FINANCING ACTIVITIES		<u>(1)</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		66,416
Cash and cash equivalents brought forward		-
CASH AND CASH EQUIVALENTS CARRIED FORWARD	10	<u>66,416</u>

The accompanying accounting policies and notes are an integral part of these financial statements.

FATTAL LEONARDO HOTELS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2015

1. GENERAL INFORMATION

Fattal Leonardo Hotels (UK) Limited is a public limited company incorporated in the United Kingdom. The address of its registered office and its principle place of trading is Leonardo Hotel, London Heathrow Airport, West Drayton, London, WB7 ODP. The Company's principal activity is that of a holding company.

The company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the company as an individual and not about its group.

2. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. The financial statements have been prepared using the measurement bases specified by IFRS for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies below.

The financial statements are presented in pounds sterling (£) which is the functional currency of the company.

An overview of standards, amendments and interpretations to IFRSs issued but not yet effective, and which have not been adopted early by the Company are presented below under 'Statement of Compliance'.

Going Concern

The directors have prepared cash flow forecasts through to 31 June 2017. The directors have also made the assumption that financial support will be available from group companies as and when required. For this reason they continue to adopt the going concern basis in preparing the Company's financial statements.

Critical Accounting Estimates and Judgements

The preparation of financial statement in conformity with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. These estimates and assumptions are based upon management's knowledge and experience of the amounts, events or actions. Actual results may differ from such estimates.

Management believes that the following areas, all of which are discussed and separately marked in the respective sections of this note comprise the most difficult, subjective or complex judgments it has to make in the preparation of the financial statements: valuation of non-current assets.

Statement of compliance

The financial statements comply with IFRS as adopted by the European Union. At the date of authorisation of these financial statements the following Standards and Interpretations affecting the Company, which have not been applied in these financial statements, were in issue, but not yet effective. The company does not plan to adopt these standards early.

- IFRS 9 Financial Instruments
- IFRS 15 Revenue from Contracts with Customers
- IFRS 11 (amendments) Accounting for Acquisitions of Interests in Joint Operations
- IAS 16 and IAS 38 (amendments) Clarification of Acceptable Methods of Depreciation and Amortisation
- IAS 19 (amendments) Defined Benefit Plans: Employee Contributions
- IAS 27 (amendments) Equity Method in Separate Financial Statements
- IFRS 10 and IAS 28 (amendments) Sale or Contributions of Assets between an Investor and its Associate of Joint Venture
- Annual improvements to IFRSs: 2010-2012 Amendments to: IFRS 2 Share-based Payment, IFRS 3 Business Combinations, IFRS 8 Operating Segments, IFRS 13 Fair Value Measurement, IAS 16 Property, Plant and Equipment, IAS 24 Related Party Disclosures and IAS 38 Intangible Assets

FATTAL LEONARDO HOTELS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2015

2. ACCOUNTING POLICIES (continued)

- Annual improvements to IFRSs: 2011-2013 Amendments to IFRS 3 Business Combinations, IFRS 13 Fair Value Measurement and IAS 40 Investment Property.
- Annual Improvements to IFRSs: 2012-2014 Cycle Amendments to: IFRS 5 Non-current Assets Held for Sale and Discontinued Operations, IFRS 7 Financial Instruments: Disclosures, IAS 19 Employee Benefits and IAS 34 Interim Financial Reporting.

Taxation

There is no current taxation payable for the period.

Deferred income taxes are calculated using the liability method on temporary differences. Deferred tax is generally provided on the difference between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Temporary differences include those associated with shares in subsidiaries and joint ventures and are only not recognised if the Company controls the reversal of the difference and it is not expected for the foreseeable future. In addition, tax losses available to be carried forward as well as other income tax credits to the Company are assessed for recognition as deferred tax assets.

Deferred tax liabilities are provided in full, with no discounting. Deferred tax assets are recognised to the extent that it is probable that the underlying deductible temporary differences will be able to be offset against future taxable income. Current and deferred tax assets and liabilities are calculated at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the statement of financial position date. Changes in deferred tax assets or liabilities are recognised as a component of tax expense in the income statements, except where they relate to items that are charged or credited to equity in which case the related deferred tax is also charged or credited directly to equity.

Financial assets

The Company's financial assets comprise investments, trade receivables and cash and cash equivalents.

Investments

Investments in subsidiary undertakings are stated at cost less provisions for impairment.

Trade receivables

Financial receivables are recognised and carried at original invoice value less an allowance for any uncollectible amounts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when identified.

Cash and Cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

Financial liabilities

The Company's financial liabilities comprise trade payables. Financial liabilities are obligations to pay cash or other financial assets and are recognised when the Company becomes a party to the contractual provisions of the instruments.

Creditors

Creditors are recognised where the company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Short term creditors are measured at the transition price. Long term creditors are measured at their fair value.

FATTAL LEONARDO HOTELS (UK) LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)****FOR THE PERIOD ENDED 31 DECEMBER 2015****2. ACCOUNTING POLICIES (continued)****Equity**

Equity comprises the following:

- “Share capital” represents the nominal value of equity shares.
- “Retained losses” represents retained losses.

3. SEGMENTAL INFORMATION

There is one continuing class of business, being the holding company for a hotel business.

Given that there is only one continuing class of business, operating within the UK no further segmental information has been provided.

4. EXPENSES BY NATURE**2015****£**

Auditors remuneration

1,000

5. DIRECTORS' REMUNERATION**2015****£**

Remuneration

185,817

Company pension contributions to defined contribution pension schemes:

13,300

During the year no retirement benefits were accruing to the directors in respect of defined contribution pension schemes.

The highest paid director received remuneration of £185,817

6. TAXATION**2015****£**

Current tax on income for the period

-

The tax on the Company's profit before tax differs from the theoretical amount that would arise using the weighted average rate applicable to profits of the consolidated entities as follows:

Factors affecting the tax charge

Loss before tax

(246,694)

Profit/(loss) before tax multiplied by rate of corporation tax in the UK
of 20.40%

(50,326)

Deferred tax not recognised

40,553

Adjust closing deferred tax rate

5,408

Non-deductible expenses

4,365

Total tax

-

FATTAL LEONARDO HOTELS (UK) LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)****FOR THE PERIOD ENDED 31 DECEMBER 2015**

7. TAXATION (continued)

No deferred tax asset has been recognised as Directors cannot be certain that future profits will be sufficient for this asset to be realised. As at 31 December 2015 the Company has tax losses carried forward of £225,297.

8. INVESTMENTS

	Investments in subsidiary companies £
Cost or valuation	
Additions	2
At 31 December 2015	2
Net Book Value	
At 31 December 2015	2

The following were subsidiary undertakings of the company:

	Country of incorporation	Class of share capital	Holding	Nature of Business
Leonardo Heathrow Limited	England & Wales	Ordinary	100%	Hotel
Leonardo Hotels Holding (1) Limited UK	England & Wales	Ordinary	100%	Dormant

9. TRADE AND OTHER RECEIVABLES

	2015 £
Other debtors	4,448

The fair value of trade and other receivables is considered by the Directors not to be materially different to carrying amounts.

10. CASH AND CASH EQUIVALENTS

	2015 £
Cash at bank	66,416

The Directors consider that the carrying amount of cash and cash equivalent represents their fair value.

FATTAL LEONARDO HOTELS (UK) LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)****FOR THE PERIOD ENDED 31 DECEMBER 2015**

11. TRADE AND OTHER PAYABLES	2015
	£
Trade payables	594
Amounts owed to group undertakings	82,217
Other taxation and social security	5,145
Other creditors	8,325
Accruals and deferred income	16,000
	<u>112,281</u>

The fair value of trade and other payables is considered by the Directors not to be materially different to carrying amounts.

12. CREDITORS MORE THAN ONE YEAR	2015
	£
Amounts owed to group undertakings	<u>205,278</u>

13. ISSUED SHARE CAPITAL	Number of	Nominal
	Shares	Value
Issued and fully paid	No.	£
At 31 December 2015:		
Ordinary shares of £1 each	1	1
	<u>1</u>	<u>1</u>

14. FINANCIAL INSTRUMENTS**CAPITAL RISK MANAGEMENT**

The Company's objectives when managing capital are:

- to safeguard the Company's ability to continue as a going concern, so that it continues to provide returns and benefits for shareholders;
- to support the Company's growth; and
- to provide capital for the purpose of strengthening the Company's risk management capability.

The Company actively and regularly reviews and manages its capital structure to ensure an optimal capital structure and equity holder returns, taking into consideration the future capital requirements of the Company and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and projected strategic investment opportunities. Management regards total equity as capital and reserves, for capital management purposes.

CREDIT RISK

The main credit risk relates to liquid funds held at banks. The credit risk in respect of these bank balances is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

LIQUIDITY RISK

The Company seeks to manage financial risk, to ensure sufficient liquidity is available to meet foreseeable needs.

An analysis of trade and other payables is given in note 12. These payables are payable within a period.

FATTAL LEONARDO HOTELS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE PERIOD ENDED 31 DECEMBER 2015

15. FINANCIAL INSTRUMENTS (continued)

CATEGORIES OF FINANCIAL INSTRUMENTS

The IAS 39 categories of financial asset included in the statement of financial position and the headings in which they are included are as follows:

	2015
	£
Financial assets:	
Cash and bank balances	66,416
Trade and other receivables	4,448
Investments	2
Financial liabilities at amortised cost:	
Trade and other payables	(317,559)

16. POST YEAR END EVENTS

There have been no material events since the reporting date.

17. RELATED PARTY TRANSACTIONS

At the year end the company owed £205,278 to Sunflower Management GmbH & Co.Kg, its parent company. It also owed £82,217 to Leonardo Heathrow Limited, a wholly owned subsidiary.

18. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The company's parent company is Sunflower Sunflower Management GmbH & Co.Kg, a company incorporated in the Germany. The largest company in the group is Fattal Hotels Limited, a company incorporated in Israel and the smallest company in the group is Fattal Hotels KFT, a company incorporated in Hungary.

The Directors consider David Fattal to be the ultimate controlling party.