

Registered no. 4607545

**EURO HOTELS (LEYTON) LIMITED
T/A SLEEPING BEAUTY MOTEL**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2006

WEDNESDAY



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31/10/2007

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COMPANIES HOUSE

**PARAM & CO
REGISTERED AUDITORS & CHARTERED CERTIFIED ACCOUNTANTS
44-50 THE BROADWAY SOUTHALL
MIDDLESEX
UB1 1QB**

EURO HOTELS (LEYTON) LIMITED
T/A SLEEPING BEAUTY MOTEL

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EURO HOTELS (LEYTON) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2006

The directors present their report and the financial statements of the company for the year ended 31 December 2006.

Directors' Responsibilities

Company law requires the directors to prepare financial statements for each financial year which 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 those 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 applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which 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 1985. 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 of the persons who are directors at the time when the directors report is approved:

- so far as the director is aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and
- each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information (s. 234ZA (2)).

Amounts are presented within items in the profit and loss account and balance sheet, the directors have had regard to the substance of the reported transaction or arrangement, in accordance with generally accepted accounting principles or practice.

Directors

G. Nawab
A S Nawab

Secretary

A S Nawab

Registered Office

Lynton house
54 Clapham Common South Side
London
SW4 9BX

Principal Activity

The principal activity of the company throughout the year was that of hotel and property management.

EURO HOTELS (LEYTON) LIMITED T/A SLEEPING BEAUTY MOTEL

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2006 (CONT)

Review of Business

The results for the year and the financial position at the year end were considered satisfactory by the directors, who expect continued growth in the foreseeable future.

Future Developments

The directors aim to maintain the management policies which have resulted in the company's substantial growth in recent years. They consider that the current year will show a further significant growth in sales.

Fixed Assets

In the opinion of the directors, the market value of freehold land and buildings was not significantly different from book value.

Results and Dividends

The results of the year's trading and the financial position of the company are shown in the annexed accounts.

The company's profit for the year, after taxation, amounted to £137,157 (2005 - £3,977).

The directors recommend that no dividend be paid.

Directors

The present directors are as shown above. All served on the board throughout the year.

The company's Articles of Association do not require directors to retire by rotation.

Directors' Interests

The interests of the directors in the shares of the company at the beginning and end of the year, were as follows:

	31 December 2006	1 January 2006
G Nawab		
Ordinary Shares	-	-
A S Nawab		
Ordinary Shares	-	-

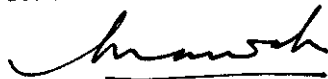
Auditors

The auditors, PARAM & CO, have indicated their willingness to accept re-appointment under Section 385(2) of the Companies Act 1985.

**EURO HOTELS (LEYTON) LIMITED
T/A SLEEPING BEAUTY MOTEL**

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2006 (CONT)

ON BEHALF OF THE BOARD



G NAWAB - DIRECTOR

Date: 31-10-07

EURO HOTELS (LEYTON) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EURO HOTELS (LEYTON) LIMITED

We have audited the financial statements of Euro Hotels (Leyton) Limited for the year ended 31st December 2006 on pages 5 to 13 have been prepared under the historical cost convention and the accounting policies set out on page 8.

This report is made solely to the company's members, as a body, in accordance with section 235 of the companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters that 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's members as a body, for our audit work, or the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the statement of directors' responsibilities on page 1, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting standards (United Kingdom Generally Accepted Accounting Standards).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with company's act 1985.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors report and consider the implications for our report if we become aware of any apparent misstatements within it.

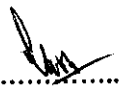
Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion, the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2006 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


.....
Param & Co

Date: 31/10/07

Chartered Certified Accountants and Registered Auditors
44-50 The Broadway, Southall
Middlesex, UB1 1QB

EURO HOTELS (LEYTON) LIMITED

T/A SLEEPING BEAUTY MOTEL

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2006

	Note	2006 £	2005 £
TURNOVER	2	976,429	792,801
Net operating expenses	3	839,232	786,346
		<hr/>	<hr/>
OPERATING PROFIT	4	137,197	6,455
Interest payable and similar charges	6	40	110
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		137,157	6,345
Tax on profit on ordinary activities	7	-	2,368
		<hr/>	<hr/>
RETAINED PROFIT FOR THE FINANCIAL YEAR		137,157	3,977
Retained profit brought forward		25,999	22,022
		<hr/>	<hr/>
RETAINED PROFIT CARRIED FORWARD		163,156	25,999
		<hr/> <hr/>	<hr/> <hr/>

The company's turnover and expenses all relate to continuing operations.

The annexed notes form part of these financial statements.

EURO HOTELS (LEYTON) LIMITED
T/A SLEEPING BEAUTY MOTEL

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 DECEMBER 2006

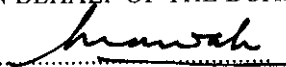
	2006	2005
	£	£
Profit for the financial year	137,157	3,977
Actuarial loss on pension scheme	-	-
	<hr/>	<hr/>
Total recognised gains and losses relating to the year	<u>137,157</u>	<u>3,977</u>

EURO HOTELS (LEYTON) LIMITED T/A SLEEPING BEAUTY MOTEL

BALANCE SHEET AT 31 DECEMBER 2006

	Note	2006 £	2005 £
FIXED ASSETS			
Tangible assets	8	607,641	689,725
CURRENT ASSETS			
Debtors	9	354,878	889,178
Cash at bank and in hand		11,632	3,562
		<u>366,510</u>	<u>892,740</u>
CREDITORS			
Amounts falling due within one year	10	808,562	1,554,033
NET CURRENT LIABILITIES		<u>(442,052)</u>	<u>(661,293)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		165,589	28,432
PROVISIONS FOR LIABILITIES AND CHARGES	11	(2,432)	(2,432)
NET ASSETS		<u><u>163,157</u></u>	<u><u>26,000</u></u>
CAPITAL AND RESERVES			
Called up share capital	12	1	1
Profit and loss account		163,156	25,999
SHAREHOLDERS' FUNDS	13	<u><u>163,157</u></u>	<u><u>26,000</u></u>

These financial statements were approved by the board on
ON BEHALF OF THE BOARD


G NAWAB - DIRECTOR

31-10-07

The annexed notes form part of these financial statements.

EURO HOTELS (LEYTON) LIMITED

T/A SLEEPING BEAUTY MOTEL

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2006

1. ACCOUNTING POLICIES

The accounts have been prepared in accordance with applicable accounting standards. There were no material departures from those standards.

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year, and also have been consistently applied within the same accounts.

Basis of Preparation of Financial Statements

The financial statements have been prepared under the historical cost convention.

The effect of events in relation to the year ended 31 December 2006 which occurred before the date of approval of the financial statements by the Board of Directors, have been included in the statements to the extent required to show a true and fair view of the state of affairs at 31 December 2006 and of the results for the year ended on that date.

Depreciation

Depreciation has been computed to write off the cost of tangible fixed assets over their expected useful lives using the following rates:

Fixtures and fittings	- 25% per annum of cost
-----------------------	-------------------------

Investment properties

The company do not have any investment properties

Deferred Taxation

Deferred taxation is accounted for in accordance with the requirements of FRS 19

Leasing

Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

2. TURNOVER

The company's turnover represents the value, excluding Value Added Tax, of goods and services supplied to customers during the year.

EURO HOTELS (LEYTON) LIMITED

T/A SLEEPING BEAUTY MOTEL

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2006 (CONT)

3. NET OPERATING EXPENSES

	2006 £	2005 £
Distribution costs	861	1,696
Administrative expenses	838,371	784,650
	<u>839,232</u>	<u>786,346</u>

4. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	2006 £	2005 £
Hire of plant and machinery - operating leases	-	493
Hire of other assets - operating leases	300,000	300,322
Depreciation and amortisation of owned assets	90,469	88,126
Auditors' remuneration	<u>3,300</u>	<u>1,500</u>

5. STAFF COSTS

The aggregate payroll costs of these persons were as follows:

	2006 £	2005 £
Wages and salaries	148,219	145,405
Social security	15,575	15,972
	<u>163,794</u>	<u>161,377</u>

EURO HOTELS (LEYTON) LIMITED
T/A SLEEPING BEAUTY MOTEL

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2006 (CONT)

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2006	2005
	£	£
Bank loans and overdrafts	40	110
	<u> </u>	<u> </u>

7. TAXATION

	2006	2005
	£	£
Deferred taxation	-	2,368
	<u> </u>	<u> </u>
	<u> </u>	<u> </u>
	<u> </u>	<u> </u>

EURO HOTELS (LEYTON) LIMITED
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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2006 (CONT)

8. TANGIBLE FIXED ASSETS

	Land and buildings £	Fixtures and fittings £	Total £
Cost			
At 1 January 2006	831,132	35,233	866,365
Additions	-	8,386	8,386
At 31 December 2006	<u>831,132</u>	<u>43,619</u>	<u>874,751</u>
Depreciation			
At 1 January 2006	245,558	14,196	259,754
Charge for the YEAR	-	7,356	7,356
At 31 December 2006	<u>245,558</u>	<u>21,552</u>	<u>267,110</u>
Net book value			
At 31 December 2006	<u>585,574</u>	<u>22,067</u>	<u>607,641</u>
At 31 December 2005	<u>668,688</u>	<u>21,037</u>	<u>689,725</u>

Net book value of land and buildings at 31 December 2006 comprised:

	2006 £	2005 £
Short leasehold investment property	<u>585,574</u>	<u>668,688</u>

EURO HOTELS (LEYTON) LIMITED **T/A SLEEPING BEAUTY MOTEL**

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2006 (CONT)

9. DEBTORS

Receivable within one year:

	2006 £	2005 £
Trade debtors	41,151	20,845
Amounts owed by group undertakings	300,288	868,333
Other debtors	145	-
Prepayments and accrued income	13,294	-
	<u>354,878</u>	<u>889,178</u>

10. CREDITORS - AMOUNTS DUE WITHIN ONE YEAR

	2006 £	2005 £
Bank loans and overdrafts	42,341	12,377
Trade creditors	102,861	499,445
Amounts owed to associated undertakings	590,549	1,031,614
Social security and other taxes	11,371	7,597
Other creditors	55,140	-
Accruals and deferred income	6,300	3,000
	<u>808,562</u>	<u>1,554,033</u>

11. PROVISIONS FOR LIABILITIES AND CHARGES

	2006 £	2005 £
Deferred taxation	2,432	2,432
	<u>2,432</u>	<u>2,432</u>

EURO HOTELS (LEYTON) LIMITED
T/A SLEEPING BEAUTY MOTEL

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2006 (CONT)

12. SHARE CAPITAL

	2006 £	2005 £
Authorised		
1,000 ordinary shares of £1 each	1,000	1,000
	<u> </u>	<u> </u>
Allotted, called up and fully paid		
1 ordinary shares of £1 each	1	1
	<u> </u>	<u> </u>

13. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2006 £	2005 £
Profit for the financial year	137,157	3,977
	<u> </u>	<u> </u>
Net addition to shareholders' funds	137,157	3,977
	<u> </u>	<u> </u>
Opening shareholders' funds	26,000	22,023
	<u> </u>	<u> </u>
Closing shareholders' funds	163,157	26,000
	<u> </u>	<u> </u>

14. CONTROLLING PARTY

The ultimate parent company is Eurogroup of Companies Limited, a company registered in England & Wales.