

PATRON GENERATOR HOLDING LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2015



Patron Generator Holding Ltd
INDEX TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

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Patron Generator Holding Ltd
COMPANY INFORMATION

For the year ended 31 December 2015

| | |
|----------------------------|---|
| DIRECTORS | Platinum Nominees Limited Mr S Law |
| SECRETARY | Broughton Secretaries Limited |
| REGISTERED OFFICE | 7 Wellbeck Street London W1G 9YE |
| REGISTERED NUMBER | 06310592 |
| INDEPENDENT AUDITOR | RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP) Chartered Accountants 25 Farringdon Street London EC4A 4AB |

Patron Generator Holding Ltd
DIRECTORS' REPORT

For the year ended 31 December 2015

The directors submit their report and the financial statements of the Patron Generator Holding Limited for the year ended 31 December 2015.

PRINCIPAL ACTIVITIES

The principal activity of the company during the period was that of an investment holding company.

PRINCIPAL RISKS AND UNCERTAINTIES

The company has received ongoing assurances from its parent undertaking sufficient to ensure that it will be able to meet its liabilities as they fall due.

DIVIDENDS

The directors do not recommend a payment of a dividend for the year. (2014: £Nil)

DIRECTORS

The following directors have held office since 1 January 2015:

Platinum Nominees Limited

Mr S Law

STRATEGIC REPORT

In accordance with 414c (11) of the Companies Act, included in the Strategic Report is the review of the business, principal risks and uncertainties and key performance indicators. This information would have been required by schedule 7 of the "Large and Medium sized Companies and Group (Accounts and Reports) Regulation 2008" to be contained in the Directors' Report.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITOR

The directors who were in office on the date of approval of these financial statements have confirmed that, as far as they are aware, there is no relevant audit information of which the auditor is unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

AUDITOR

RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP) has indicated its willingness to continue in office.

By order of the board



Shane Law
Director

Date: 30 June 2016

For the year ended 31 December 2015

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom accounting standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 Reduced Disclosure Framework (FRS101).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and accounting estimates that are reasonable and prudent;
- c. state whether applicable United Kingdom Accounting Standards, including FRS101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- d. notify the company's shareholders in writing about the use of disclosure exemptions, if any, of FRS101 used in the preparation of financial statements; and
- e. 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.

Patron Generator Holding Ltd
STRATEGIC REPORT

For the year ended 31 December 2015

REVIEW OF THE BUSINESS

The loss for the year attributable to shareholders was £780,790 (2014: loss £607,755) and is detailed on the Statement of comprehensive income on page 7.

Management remain confident that the business will remain viable as existing hostels mature and further hostels open.

FUTURE DEVELOPMENTS

The external commercial environment is expected to remain competitive in 2016. However the directors remain confident that the current level of performance will be maintained in the future.

PRINCIPAL RISKS AND UNCERTAINTIES

The company has received ongoing assurances from its parent undertaking sufficient to ensure that it will be able to meet its liabilities as they fall due.

KEY PERFORMANCE INDICATORS

The principal activity of the company during the year was that of an investment holding company, as such no additional KPI's are considered necessary.

By order of the board



Director

Date: 30th June 2016

Patron Generator Holding Ltd**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF PATRON
GENERATOR HOLDING LIMITED**

For the year ended 31 December 2015

Report of the independent auditor on the financial statements at December 31, 2015

We have audited the financial statements on pages 7 to 18. 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) including FRS 101 "Reduced Disclosure Framework".

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.

Respective responsibilities of directors and auditor

As more fully explained in the Directors' Responsibilities Statement set out on page 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 (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 <http://www.frc.org.uk/auditscopeukprivate>

Opinion on financial statements

In our opinion the financial statements:

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

Opinion on other matter prescribed by the Companies Act 2006

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

Patron Generator Holding Ltd

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF PATRON
GENERATOR HOLDING LIMITED**

For the year ended 31 December 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, 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

RSM UK Audit LLP

EUAN BANKS (Senior Statutory Auditor)

For and on behalf of RSM UK AUDIT LLP (formerly Baker Tilly UK Audit LLP) Statutory Auditor

Chartered Accountants

25 Farringdon Street

London EC4A 4AB

Date: 30th June 2016

Patron Generator Holding Ltd
STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 December 2015

| | | Year to 31 December 2015 GBP | Year to 31 December 2014 GBP |
|--|--------------|---|---|
| | Notes | | |
| Administration Expenses | 2 | <u>(164,237)</u> | <u>(15,441)</u> |
| Operating Loss | | (164,237) | (15,441) |
| Finance Costs | 3 | (4,023,469) | (3,977,942) |
| Finance Incomes | 4 | <u>3,237,983</u> | <u>3,245,589</u> |
| Loss before tax | | (949,723) | (747,794) |
| Income tax | 5 | <u>168,933</u> | <u>140,039</u> |
| Loss for the year | | <u><u>(780,790)</u></u> | <u><u>(607,755)</u></u> |
| Other Comprehensive Income | | <u>-</u> | <u>-</u> |
| Total Comprehensive Loss attributable to owners of the parent | | <u><u>(780,790)</u></u> | <u><u>(607,755)</u></u> |

The loss for the year arises from the entity's continuing operations.

The accompanying notes on pages 10 to 18 form an integral part of these financial statements.

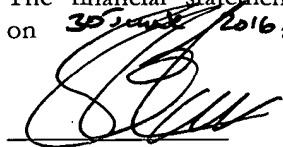
Patron Generator Holding Ltd
STATEMENT OF FINANCIAL POSITION

For the year ended 31 December 2015

Company number: 06310592

| | | Year to 31 December 2015 GBP | Year to 31 December 2014 GBP |
|--|-------|---------------------------------------|---------------------------------------|
| | Notes | | |
| ASSETS | | | |
| Non-current | | | |
| Investments and other financial assets | 6 | 51,846,146 | 50,549,158 |
| Current | | | |
| Other receivables | 7 | 988,988 | 797,927 |
| Cash and cash equivalents | | 6,947 | 6,947 |
| | | <u>995,935</u> | <u>804,874</u> |
| LIABILITIES | | | |
| Current | | | |
| Trade and other payables | 9 | 475,860 | 289,619 |
| Non-current | | | |
| Interest bearing Long term loans | 8 | 56,206,142 | 54,123,544 |
| NET LIABILITIES | | <u>(3,839,921)</u> | <u>(3,059,131)</u> |
| EQUITY | | | |
| Share capital | 10 | 1,000 | 1,000 |
| Retained earnings | | (3,840,921) | (3,060,131) |
| TOTAL EQUITY | | <u>(3,839,921)</u> | <u>(3,059,131)</u> |

The financial statements on pages 7 to 18 were approved and authorised for issue by the board on 30 March 2016 and signed on its behalf by



Shane Law
Director

Patron Generator Holding Ltd
STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2015

| | Share capital GBP | Retained Earnings GBP | Total Equity GBP |
|-----------------------|----------------------|--------------------------|---------------------|
| At 1st January 2014 | 1,000 | (2,452,376) | (2,451,376) |
| Loss for the year | - | (607,755) | (607,755) |
| At 31st December 2014 | <u>1,000</u> | <u>(3,060,131)</u> | <u>(3,059,131)</u> |
| At 1st January 2015 | 1,000 | (3,060,131) | (3,059,131) |
| Loss for the year | - | (780,790) | (780,790) |
| At 31st December 2015 | <u>1,000</u> | <u>(3,840,921)</u> | <u>(3,839,921)</u> |

Patron Generator Holding Ltd
NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

1 Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101) and under the historical cost convention, as modified financial assets and financial liabilities at fair value through profit or loss.

In accordance with FRS 101, the Company has taken advantage of the exemptions from the following disclosure requirements;

- IAS 1 'Presentation of Financial Statements' – *Comparative reconciliations of the opening and closing number of shares and carrying amounts of property, plant and equipment, and intangible assets, objectives, policies and processes for managing capital*
- IAS 7 'Statement of Cash Flows' – *Presentation of a Statement of Cash Flow and related notes*
- IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' – *IFRSs that will impact future periods*
- IAS 24 'Related Party Disclosures' – *Compensation for key management personnel*
- IAS 36 'Impairment of Assets' – *Key assumptions in the measurement of the recoverable amount of assets and reasonable changes in those assumptions that result in impairment, where recoverable amount is based on fair value less costs of disposal; the valuation technique(s) used, and if fair value is not measured using a quoted price for an identical unit; the level in the fair value hierarchy, any change in the valuation technique(s) and the reason for the change*
- IFRS 7 'Financial Instruments: Disclosures' – *Carrying amounts, fair values, interest income/expense and net gains/ losses for each category of financial instrument, risks associated with financial instruments (including management of risks, maximum credit risk, credit quality of financial assets, analysis of financial assets past due or impaired, maturity analysis for financial liabilities, sensitivity analysis for market risks).*
- IFRS 13 'Fair Value Measurement' – *The fair value hierarchy, fair value measurements, (including valuation technique(s) and inputs), if the highest and best use of a non-financial asset differs from its current use, the reason for non-recurring fair value measurements, for Level 3 fair value measurements; unrealised fair value gains/ losses in the period, the valuation process and sensitivity analysis.*

The financial statements of the Company are consolidated in the financial statements of Patron Generator S.A R.L which is the ultimate parent company for the entire group. The consolidated financial statements of Patron Generator S.A R.L. are available from its registered office 6, Avenue Pasteur, L-2310 Luxembourg, Luxembourg

1.1. Financing costs

Financing costs comprise interest payable on borrowings calculated using the effective interest rate method. Attributable transaction costs are recognised initially in the carrying value of non-derivative financial instruments, and subsequently amortised using the effective interest rate method.

1.2. Foreign currency translation

The financial statements of the Company are presented in GBP however the Group's presentation currency is the Euro (EUR). Functional currency is the currency of the primary economic environment in which an entity operates, which in most cases corresponds to local currency.

Foreign currency transactions are recorded in the functional currency at the exchange rate prevailing on the date of the transaction. At each reporting date:

- monetary assets and liabilities denominated in foreign currencies are translated at year-end exchange rates. The related translation gains and losses are recorded in the statement of income for the year to which they relate;

Patron Generator Holding Ltd
NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

- non-monetary assets and liabilities denominated in foreign currencies are recognised at the historical cost applicable at the date of the transaction.

1.3. Taxation

Income tax expense represents the sum of the deferred tax and current tax payable.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be recognised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Where assets are not yet trading or where it is not certain that sufficient taxable profits will arise within two years deferred tax is not recognised. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset recognised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

1.4. Fixed Asset Investments

Interests in subsidiaries, associates and jointly controlled entities are assessed for impairment at each reporting date. Any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

Patron Generator Holding Ltd
NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

1.5. Financial assets

Financial assets comprise loans and receivables carried at amortised cost including trade and other receivables, and financial assets measured at fair value through income, including derivative financial instruments. Financial assets are broken down into current and non-current assets in the statement of financial position.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables (including trade and other receivables, bank balances and cash) are measured at amortised cost using the effective interest method, less any impairment substantially corresponding to nominal value.

1.6. Financial liabilities

Financial liabilities include borrowings, trade and other payables, derivative financial instruments and other financial liabilities. Financial liabilities are broken down into current and non-current liabilities in the statement of financial position.

Borrowings and other financial liabilities

Borrowings and other financial liabilities are measured at amortised cost using the effective interest rate method. On initial recognition, any issue or redemption premiums and discounts and issuing costs are added to/deducted from the nominal value of the borrowings concerned. These items are taken into account when calculating the effective interest rate and are therefore recorded in the income statement over the life of the borrowings using the amortised cost method.

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

1.7. Financial Risk Factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, fair value, interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance. The Company uses derivative financial instruments to hedge certain risk exposures.

Foreign exchange risk

The Company operates mainly in Europe and is exposed to foreign exchange risk arising from Euro exposures. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

At 31 December 2015, if the currency had strengthened by 5% against the Euros with all other variables held constant, post-tax loss for the year would have been £15,530 (2014: £12,258) lower, mainly as a result of foreign exchange gains on translation of Euro-denominated borrowings.

Patron Generator Holding Ltd
NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

At 31 December 2015, if the currency had weakened by 5% against the UK pound with all other variables held constant, post-tax loss for the year would have been £10,200 (2014: 11,090) higher, mainly as a result of foreign exchange gains on translation of Euro-denominated borrowings.

Cash flow and fair value interest rate risk

The Company does not have any third party loans hence are not exposed to the interest rate risk.

Credit risk

Credit risk is managed on a Company basis, except for credit risk relating to accounts receivable balances. Each local entity is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to customers.

Liquidity risk

Cash flow forecasting is performed in the operating entities of the group in and aggregated by group finance. Group finance monitors rolling forecasts of the group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. Such forecasting takes into consideration the group's debt financing plans, covenant compliance, compliance with internal balance sheet ratio targets and, if applicable external regulatory or legal requirements – for example, currency restrictions.

The table below analyses the Company's non-derivative financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. Derivative financial liabilities are included in the analysis if their contractual maturities are essential for an understanding of the timing of the cash flows. The amounts disclosed in the table are the contractual undiscounted cash flows.

| | Less than 3 months | Between 3 months and 1 year | Between 1 and 2 years | Between 2 and 5 years | Over 5 years |
|----------------------------|-----------------------|-----------------------------------|-----------------------------|-----------------------------|-----------------|
| At 31 December 2015 | | | | | |
| Borrowings | - | - | - | 56,206,142 | - |
| Trade and other payables | 475,860 | - | - | - | - |
| At 31 December 2014 | | | | | |
| Borrowings | - | - | - | 54,123,544 | - |
| Trade and other payables | 289,619 | - | - | - | - |

Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

Patron Generator Holding Ltd
NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

1.8. Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

1.9. Going concern

During the year the company made a loss of £780,789 (2014: loss £ 607,755) and the balance sheet shows a deficiency of £3,839,921 (2014: £3,059,131) due to the liabilities including loan and interest amounting to £56,206,142 (2014: £54,123,544) owed to the group investors. These loans were extended to June 2017.

The directors, have considered the situation and concluded that it is appropriate to prepare the financial statements on the going concern basis. This is due to the support provided by the ultimate controlling party and the trading companies within the group being cash generative, and due to the group operating well within its loan facilities available.

In addition the directors have considered the group's cash flow forecast and have concluded that there are sufficient resources available to meet the group's liabilities as they fall due for a period of at least 12 months from the date of signing these accounts

2 Administration expenses

| | Year to 31 December 2015 GBP | Year to 31 December 2014 GBP |
|-------------------------------|---------------------------------------|---------------------------------------|
| Auditor's remuneration | | |
| Audit | 7,762 | 7,500 |
| Corporation tax compliance | 4,500 | 4,500 |
| Legal and professional costs | 151,975 | 3,292 |
| Other Administrative expenses | - | 149 |
| | <u>164,237</u> | <u>15,441</u> |

The Directors classify all direct and indirect costs of the hostel that are not in activity as administration expenses.

Patron Generator Holding Ltd
NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

3 Finance costs

| | Year to 31 December 2015 GBP | Year to 31 December 2014 GBP |
|--|---------------------------------------|---------------------------------------|
| Interest payable on related party borrowings | 3,952,415 | 3,899,350 |
| Foreign exchange loss | 71,054 | 78,592 |
| | <u>4,023,469</u> | <u>3,977,942</u> |

The interest on the related party borrowings is 7.50% (2014:7.50%).

4 Finance income

| | Year to 31 December 2015 GBP | Year to 31 December 2014 GBP |
|--|---------------------------------------|---------------------------------------|
| Bank interest receivable | - | 2 |
| Related party loan interest receivable | 3,237,983 | 3,245,587 |
| | <u>3,237,983</u> | <u>3,245,589</u> |

The related party loan attracts an interest of 7.75% (2014: 7.75%).

Patron Generator Holding Ltd
NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

5 Income tax

| | Year to 31 December 2015 GBP | Year to 31 December 2014 GBP |
|--|---------------------------------------|---------------------------------------|
| Current tax: | | |
| UK corporation tax | (168,933) | (140,039) |
| Total current tax | <u>(168,933)</u> | <u>(140,039)</u> |
| Loss on ordinary activities before tax | (949,723) | (747,794) |
| Tax on loss on ordinary activities at standard corporation tax in UK of 20.25% (2014: 21.49%) | (192,286) | (160,701) |
| Effects of: | | |
| Transfer pricing adjustment | 23,353 | 20,662 |
| | <u>(168,933)</u> | <u>(140,039)</u> |

The company has surrendered the benefit of its tax losses to its subsidiary undertaking for a consideration of £168,933 (2014: £140,039).

6 Investments and other financial assets

| | Shares in group undertaking GBP | Investment Loan GBP | Total GBP |
|---------------------------|---------------------------------------|------------------------|-------------------|
| At 1 January 2015 | 7,174,106 | 43,375,052 | 50,549,158 |
| Additions in year at cost | - | 1,296,988 | 1,296,988 |
| As at 31 Dec 2015 | <u>7,174,106</u> | <u>44,672,040</u> | <u>51,846,146</u> |

The group holds more than 20% of the equity of the following companies incorporated in England and Wales.

| Subsidiaries | Holding of ordinary shares | Principal activity | Total equity 31 December 2015 GBP | Loss for the year to 31 December 2015 GBP |
|-------------------------------------|----------------------------------|-------------------------------|--|---|
| Patron Generator Properties Limited | 100% | Investment Holding Company | (5,763,314) | (1,191,265) |
| Generator Hostels Limited | 100% | Management Company | (9,902,070) | (4,740,682) |

Patron Generator Holding Ltd
NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

7 Other receivables

| | Year to 31 December 2015 GBP | Year to 31 December 2014 GBP |
|------------------------------------|---------------------------------------|---------------------------------------|
| Due within one year | | |
| Amounts owed by group undertakings | 979,366 | 797,382 |
| Other Debtors | 9,622 | 545 |
| | <u>988,988</u> | <u>797,927</u> |

8 Interest bearing long term loans

| | Year to 31 December 2015 GBP | Year to 31 December 2014 GBP |
|-------------------------------------|---------------------------------------|---------------------------------------|
| Amount due to the group undertaking | 56,206,142 | 54,123,544 |
| | <u>56,206,142</u> | <u>54,123,544</u> |

The amount owed to the group undertaking attracts interest at 8% (2014: 8%) which is added quarterly to the principal loan which is unsecured. The loan matures in 2017.

9 Trade & other payables

| | Year to 31 December 2015 GBP | Year to 31 December 2014 GBP |
|--------------------------------------|---------------------------------------|---------------------------------------|
| Amount due to the Group undertakings | 369,544 | 276,013 |
| Trade & other creditors | 89,154 | 1,207 |
| Accrual & deferred income | 17,162 | 12,399 |
| | <u>475,860</u> | <u>289,619</u> |

Patron Generator Holding Ltd
NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

10 Share capital

| | Year to 31 December 2015 GBP | Year to 31 December 2014 GBP |
|----------------------------------|---------------------------------------|---------------------------------------|
| Allotted, issued and fully paid: | | |
| 1,000 ordinary shares of £1 each | 1,000 | 1,000 |

11 Contingent Liability

The company has submitted a group VAT election and is subsequently jointly responsible for paying/claiming all VAT due from all members of the group. At 31st December 2015 the current liability is £121,660 (2014: £195,498).

12 Ultimate Parent Undertaking

The company's immediate parent company is Patron Generator S.a.r.l, a company registered in England and Wales. The ultimate controlling party is Patron Capital LP III, a partnership registered in England and Wales. Patron Generator S.a.r.l is a parent undertaking of the smallest and the largest group for which accounts are drawn up, and of which the company is a member.

13 Related party disclosure

The company has taken advantage of the exemptions available under FRS101 not to disclose transactions with group companies where voting rights are wholly held within the group.