

**FAYAIR (STANSTED) LIMITED**

**FINANCIAL STATEMENTS**

**INFORMATION FOR FILING WITH THE REGISTRAR**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

**FAYAIR (STANSTED) LIMITED**

**COMPANY INFORMATION**

**DIRECTORS**

M Al Fayed  
O Fayed  
K Fayed  
M Esreb  
K Bayes  
M Irvin

**COMPANY SECRETARY**

P Windsor

**REGISTERED NUMBER**

07566864

**REGISTERED OFFICE**

Ninth Avenue  
London Stansted Airport  
Stansted  
Essex  
CM24 1AN

**TRADING ADDRESS**

Ninth Avenue  
London Stansted Airport  
Stansted  
Essex  
CM24 1AN

**INDEPENDENT AUDITOR**

Mercer & Hole  
Chartered Accountants  
21 Lombard Street  
London  
EC3V 9AH

**FAYAIR (STANSTED) LIMITED**

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**FAYAIR (STANSTED) LIMITED**  
**REGISTERED NUMBER: 07566864**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2020**

	Note	2020 £	2020 £	2019 £	2019 £
<b>FIXED ASSETS</b>					
Tangible assets	4		9,981,105		10,395,712
			<u>9,981,105</u>		<u>10,395,712</u>
<b>CURRENT ASSETS</b>					
Debtors: amounts falling due within one year	5	344,681		687,544	
Cash at bank and in hand		266,384		627,197	
		<u>611,065</u>		<u>1,314,741</u>	
Creditors: amounts falling due within one year	6	(1,652,632)		(1,910,857)	
		<u>(1,652,632)</u>		<u>(1,910,857)</u>	
<b>NET CURRENT LIABILITIES</b>			(1,041,567)		(596,116)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>8,939,538</u>		<u>9,799,596</u>
<b>NET ASSETS</b>			<u>8,939,538</u>		<u>9,799,596</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital			17,850,000		17,850,000
Profit and loss account			(8,910,462)		(8,050,404)
			<u>(8,910,462)</u>		<u>(8,050,404)</u>
<b>SHAREHOLDERS' FUNDS</b>	9		<u>8,939,538</u>		<u>9,799,596</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the profit and loss account in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 28 April 2021.

**K Bayes**  
Director

**M Irvin**  
Director

The notes on pages 2 to 7 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**1. ACCOUNTING POLICIES**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

**1.2 Going concern**

The financial statements have been prepared on a going concern basis, notwithstanding the company's loss for the year of £860,058 (2019: £648,892) and net current liabilities of £1,041,567 (2019: £596,116), which the directors believe to be appropriate for the following reason.

The directors after taking account of appropriate cost minimisation measures that have been put in place, and the level of government support available have prepared forecasts that set out the company's funding requirement on a reasonable downside scenario based upon the impact that COVID-19 has had and is expected to continue to have on trading. Subsequent to the year end the company has received a Coronavirus business interruption loan of £600,000. This Loan together with an undertaking provided by the company's ultimate parent undertaking that it will for at least 12 months from the date of signing these financial statements, continue to make available such funds as are required as set out in the forecasts, and in particular will not seek repayment of the amounts previously provided.

This should enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue, although at the date of approval of these financial statements, they have no reason to believe that it will not do so.

These financial statements do not include any adjustments that would be necessary if the going concern basis was not appropriate.

**1.3 Turnover**

Sales of goods and services are recognised when the services are provided or the goods are supplied. Annual contracts for a package of ongoing services are recognised in equal instalments to the next renewal date.

**1.4 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES (CONTINUED)

1.4 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives range as follows:

Long-term leasehold property	-	Over life of lease (51 years from inception)
Plant and machinery	-	Between 3 and 10 years
Other fixed assets	-	Between 3 years and end life of lease

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Profit and Loss Account.

1.5 Government grants

Government grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received. Government grants are recognised in profit or loss on a systematic basis over the periods in which the company recognises as expenses the related costs for which the grants are intended to compensate.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the company with no future related costs are recognised in profit or loss for the period they become receivable.

1.6 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Profit and Loss Account within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Profit and Loss Account within 'other operating income'.

1.7 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Profit and Loss Account on a straight line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES (CONTINUED)

1.8 Pensions

**Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Profit and Loss Account when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

The amount owing to the plan at the year end was £8,317 (2019: £13,493).

1.9 Provisions

A provision is recognised in the Balance Sheet when the company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

1.10 Taxation

Tax is recognised in the Profit and Loss Account, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2. GENERAL INFORMATION

Fayair (Stansted) Limited is a company limited by shares and incorporated and domiciled in the U.K. The address of the registered office is Ninth Avenue, London Stansted Airport, Stansted, Essex, CM24 1AN. The company is part of a group.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

3. EMPLOYEES

The average monthly number of employees, including the directors, during the year was as follows:

	2020 No.	2019 No.
Customer services	22	24
Management and administration	8	8
	<u>30</u>	<u>32</u>

4. TANGIBLE FIXED ASSETS

	Long-term leasehold property £	Plant and machinery £	Other fixed assets £	Total £
<b>COST OR VALUATION</b>				
At 1 January 2020	10,834,325	2,322,377	722,705	13,879,407
Additions	-	1,620	9,527	11,147
At 31 December 2020	<u>10,834,325</u>	<u>2,323,997</u>	<u>732,232</u>	<u>13,890,554</u>
<b>DEPRECIATION</b>				
At 1 January 2020	1,534,553	1,741,884	207,258	3,483,695
Charge for the year	216,694	190,174	18,886	425,754
At 31 December 2020	<u>1,751,247</u>	<u>1,932,058</u>	<u>226,144</u>	<u>3,909,449</u>
<b>NET BOOK VALUE</b>				
At 31 December 2020	<u>9,083,078</u>	<u>391,939</u>	<u>506,088</u>	<u>9,981,105</u>
At 31 December 2019	<u>9,299,772</u>	<u>580,493</u>	<u>515,447</u>	<u>10,395,712</u>



**FAYAIR (STANSTED) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**5. DEBTORS**

	2020 £	2019 £
Trade debtors	167,897	305,191
Prepayments and accrued income	174,632	338,135
Other debtors	2,152	44,218
	<u>344,681</u>	<u>687,544</u>

**6. CREDITORS: Amounts falling due within one year**

	2020 £	2019 £
Trade creditors	280,745	418,524
Amounts owed to group undertakings	1,200,000	1,200,000
Other taxation and social security	57,202	208,747
Accruals and deferred income	114,685	83,586
	<u>1,652,632</u>	<u>1,910,857</u>

**7. COMMITMENTS UNDER OPERATING LEASES**

At 31 December 2020 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Not later than 1 year	550,432	542,264
Later than 1 year and not later than 5 years	2,300,478	2,256,816
Later than 5 years	13,369,938	13,962,138
	<u>16,220,848</u>	<u>16,761,218</u>

# FAYAIR (STANSTED) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

### 8. RELATED PARTY TRANSACTIONS

Transactions with related parties were undertaken such as are required to be disclosed for the year were as follows:

	Transactions to 31.12.20 £	Balance owing (to)by related party 31.12.20 £	Transactions to 31.12.19 £	Balance owing (to)by related party 31.12.19 £
<b>Services provided to Fayair (Stansted) Ltd</b>				
Hyde Park Residence Ltd - management charges	(2,480)	(255)	(4,280)	(128)

### 9. RECONCILIATION OF SHAREHOLDERS' FUNDS

	2020 £	2019 £
Balance at the start of the year	9,799,596	10,448,488
Loss for the year	(860,058)	(648,892)
<b>Balance at the end of the year</b>	<u>8,939,538</u>	<u>9,799,596</u>

### 10. POST BALANCE SHEET EVENTS

On April 8 the company received a Coronavirus Business interruption loan of £600,000. This loan is interest free for the first 12 months then carries interest at the rate of 4.35% per annum varying being 4.25% above the Bank's Base Rate which is currently 0.10% per annum and is repayable over 6 years.

### 11. CONTROLLING PARTY

The company is a subsidiary undertaking of Stanfay Limited. The registered office of Stanfay Limited is 3076 Francis Drake's Highway, P.O. Box 3463, VG 1110, Road Town, Tortola, British Virgin Islands. The ultimate controlling party is the Al Fayed family trust.

### 12. AUDITOR'S INFORMATION

The company's financial statements for the year ended 31 December 2020 have been subject to audit and the audit report was unqualified.

There were no matters to which the auditor drew attention by way of emphasis.

The audit report was signed by Andrew Turner, as Senior Statutory Auditor, for and on behalf of Mercer & Hole, 21 Lombard Street, London, EC3V 9AH on 28 April 2021.



This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.