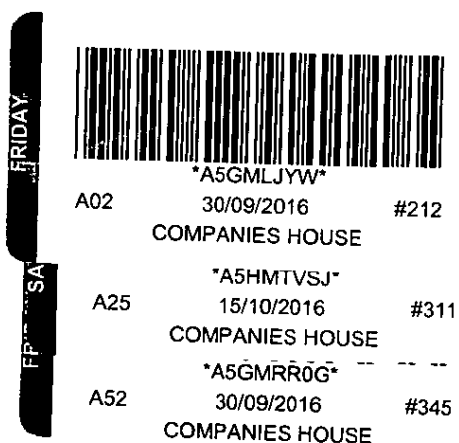


Floreat Real Estate Limited
Audited Financial Statements
31 December 2015



CAAS
Chartered Accountants & Statutory Auditors
Suite 203, Second Floor
China House
401 Edgware Road
LONDON
NW2 6GY

Floreat Real Estate Limited

Financial Statements

Year ended 31 December 2015

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Floreat Real Estate Limited
Officers and Professional Advisers

The board of directors	Mr J Wilcox Mr M Otaibi Mr H Otaibi
Registered office	33 Grosvenor Street London W1K 4QU
Senior Statutory Auditor	Zara Jackson ACA
Auditor	CAAS Chartered Accountants & Statutory Auditors Suite 203, Second Floor China House 401 Edgware Road LONDON NW2 6GY

Floreat Real Estate Limited

Independent Auditor's Report to the Shareholder of Floreat Real Estate Limited

Year ended 31 December 2015

Although the company is only required to file a Balance Sheet, the Companies Act 2006 requires the accompanying Report of the Auditors to be a copy of our report to the members on the company's full Financial Statements and Report of the Directors. Readers are cautioned that the Income Statement and certain other primary statements and the Report of the Directors, referred to in the copy of our Report of the Auditors, are not required to be filed with the Registrar of Companies.

We have audited the financial statements of Floreat Real Estate Limited for the year ended 31 December 2015 which comprise the statement of financial position, statement of changes in equity 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the company's shareholder, 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 shareholder 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 shareholder 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, 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 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 directors' 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.

Basis for qualified opinion on financial statements

This is the first period Floreat Real Estate Limited has been audited, and we were unable to obtain sufficient appropriate audit evidence on the opening balances. Consequently, we were unable to determine whether any adjustments to these balances were necessary.

Floreat Real Estate Limited

Independent Auditor's Report to the Shareholder of Floreat Real Estate Limited (continued)

Year ended 31 December 2015

Qualified opinion on financial statements

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, 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 profit for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, 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

Matters on which we are required to report by exception

In sole respect of the limitation on our work relating to the opening balances

- we have not received all the information and explanations we require for our audit

We have nothing to report in respect of the remaining 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
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report



Zara Jackson ACA (Senior Statutory Auditor)

For and on behalf of
CAAS
Chartered Accountants & Statutory Auditors
Suite 203, Second Floor
China House
401 Edgware Road
LONDON
NW2 6GY

22 September 2016

Floreat Real Estate Limited

Statement of Financial Position

31 December 2015


	Note	2015 £	2014 £
Fixed assets			
Tangible assets	4	849	456
Current assets			
Debtors	5	621,009	402,124
Cash at bank and in hand		58,991	9,210
		<u>680,000</u>	<u>411,334</u>
Creditors amounts falling due within one year	6	<u>395,553</u>	<u>496,258</u>
Net current assets/(liabilities)		<u>284,447</u>	<u>(84,924)</u>
Total assets less current liabilities		<u>285,296</u>	<u>(84,468)</u>
Provisions			
Taxation including deferred tax	8	170	91
Net assets/(liabilities)		<u>285,126</u>	<u>(84,559)</u>
Capital and reserves			
Called up share capital	10	1	1
Profit and loss account	11	285,125	(84,560)
Shareholder funds/(deficit)		<u>285,126</u>	<u>(84,559)</u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime

These financial statements were approved by the board of directors and authorised for issue on 22 September 2016, and are signed on behalf of the board by


Mr J Wilcox
Director


Mr M Otaibi
Director


Mr H Otaibi
Director

Company registration number 08757333

The notes on pages 6 to 11 form part of these financial statements

Floreat Real Estate Limited

Statement of Changes in Equity

Year ended 31 December 2015

	Called up share capital £	Profit and loss account £	Total £
At 31 October 2013	–	–	–
Loss for the year	–	(84,560)	(84,560)
Total comprehensive income for the year	–	(84,560)	(84,560)
Issue of shares	1	–	1
Total investments by and distributions to owners	1	–	1
At 31 December 2014	1	(84,560)	(84,559)
Profit for the year	–	369,685	369,685
Total comprehensive income for the year	–	369,685	369,685
At 31 December 2015	1	285,125	285,126

The notes on pages 6 to 11 form part of these financial statements

Floreat Real Estate Limited
Notes to the Financial Statements
Year ended 31 December 2015

1 Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'

2. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss

The financial statements are prepared in sterling, which is the functional currency of the entity

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 31 October 2013. Details of how FRS 102 has affected the reported financial position and financial performance are given in note 17

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of Floreat Holding Limited which can be obtained from 33 Grosvenor Street, London, W1K 4QU. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102

(a) No cash flow statement has been presented for the company

Changes in accounting policies

There have been no changes in accounting policies as a result of the transition to FRS 102

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods), the amount of revenue can be measured reliably, it is probable that the associated economic benefits will flow to the entity, and the costs incurred or to be incurred in respect of the transactions can be measured reliably

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively

Floreat Real Estate Limited**Notes to the Financial Statements** *(continued)***Year ended 31 December 2015**

2. Accounting policies (continued)

Income tax (continued)

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

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

Office Equipment - 33% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Floreat Real Estate Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2015

2. Accounting policies *(continued)*

Impairment of fixed assets *(continued)*

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument

Debt instruments are subsequently measured at amortised cost

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics

Floreat Real Estate Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2015

2 Accounting policies *(continued)*

Financial instruments *(continued)*

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised

3 Auditor's remuneration

	Year to 31 Dec 15 £	Period from 31 Oct 13 to 31 Dec 14 £
Fees payable for the audit of the financial statements	<u>6,000</u>	<u>—</u>

4 Tangible assets

	Equipment £
Cost	
At 1 January 2015	483
Additions	646
At 31 December 2015	<u>1,129</u>
Depreciation	
At 1 January 2015	27
Charge for the year	253
At 31 December 2015	<u>280</u>
Carrying amount	
At 31 December 2015	<u>849</u>
At 31 December 2014	<u>456</u>

5 Debtors

	2015 £	2014 £
Trade debtors	580,511	147,854
Prepayments and accrued income	280	1,072
Other debtors	40,218	253,198
	<u>621,009</u>	<u>402,124</u>

Floreat Real Estate Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2015

6. Creditors amounts falling due within one year

	2015	2014
	£	£
Trade creditors	44,950	139,981
Amounts owed to group undertakings	220,431	339,494
Accruals and deferred income	41,247	1,900
Corporation tax	73,627	–
Social security and other taxes	13,310	14,883
Other creditors	1,988	–
	<u>395,553</u>	<u>496,258</u>

7 Deferred tax

The deferred tax included in the statement of financial position is as follows

	2015	2014
	£	£
Included in provisions (note 11)	<u>170</u>	<u>91</u>

The deferred tax account consists of the tax effect of timing differences in respect of

	2015	2014
	£	£
Accelerated capital allowances	<u>170</u>	<u>91</u>

8 Provisions

	Deferred tax (note 10) £
At 1 January 2015	91
Charge against provision	79
At 31 December 2015	<u>170</u>

9. Financial instruments

The carrying amount for each category of financial instrument is as follows

	2015	2014
	£	£
Financial assets		
Financial assets that are debt instruments measured at amortised cost	<u>680,000</u>	<u>411,334</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(395,723)</u>	<u>(496,349)</u>

Financial assets measured at amortised cost comprise cash at bank, accrued income, trade debtors and other debtors

Financial liabilities measured at amortised cost comprise trade creditors, other creditors, corporation tax and other tax and social security, deferred income and provisions

Floreat Real Estate Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2015

10 Called up share capital

Issued, called up and fully paid

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

11. Reserves

Profit and loss account - This reserve records retained earnings and accumulated losses

12. Related party transactions

During the period the company received invoices from Floreat Merchant Banking Limited, which is a wholly owned subsidiary of Floreat Holding Limited, amounting to £78,719 (2014 £51,401) in respect of rent, rates, and general administrative support. The invoices raised were on an arm's length basis.

At the balance sheet date the company owed Floreat Merchant Banking Limited £69,935 (2014 £339,494).

At the balance sheet date the company owed Floreat Holding Limited £150,496 (2014 £Nil) relating to amounts Floreat Holding Limited paid for on the company's behalf.

13. Controlling party

The company is a wholly owned subsidiary of Floreat Holding Limited, a company registered in England & Wales with registration number 08825511.

Floreat Holding Limited is the largest and smallest company that prepares consolidated accounts which include Floreat Real Estate Limited. Copies of the consolidated accounts can be obtained from its registered office, 33 Grosvenor Street, London, W1K 4QU.

14. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 31 October 2013.

No transitional adjustments were required in equity or profit or loss for the period.