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UK foreign company registered number FC026283

**Gold Diamond D Edinburgh 2005 Ltd**

**Annual report and financial statements  
for the year ended 31 December 2015**

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# **Gold Diamond D Edinburgh 2005 Ltd**

## **Company Information**

**Directors** S Al Dhahen  
K Al Shamsi  
F Veenstra  
S Al Hallami - alternate

**Registered number** FC026283

**Registered office** 171 Main Street  
PO Box 4041  
Road Town  
Tortola  
British Virgin Islands

**Business address** 400 Capability Green  
Luton  
Bedfordshire  
LU1 3LU  
United Kingdom

# **Gold Diamond D Edinburgh 2005 Ltd**

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# Gold Diamond D Edinburgh 2005 Ltd

## Strategic report for the year ended 31 December 2015

The directors present their strategic report and the unaudited financial statements of the company for the year ended 31 December 2015

### Business review

The principal activity of the company continued to be the operation of a hotel in the United Kingdom

The company has reported an operating loss of £332,689 (2014 profit £2,133,490)

Profit for the underlying business before adjusting for exceptional items was £1,050,167 (2014 £953,860) Exceptional items relate to the impairment of fixed assets of £1,382,856 (2014 reversal of impairment of £1,179,630)

The loss for the year, after taxation, amounted to £860,963 (2014 profit £1,504,592)

The directors consider the key financial indicators to be

	2015	2014
Gross profit margin	52.20%	52.34%
Operating profit margin before impairment	13.49%	12.30%
(Loss)/profit after tax	£(860,963)	£1,504,592
Valuation of hotel asset	£11,500,000	£12,200,000

### Principal risks and uncertainties

The company is subject to a variety of risks, which may have an adverse impact on the business, its operating results, turnover, profit, assets and reserves

Listed below are the main risks which, in the opinion of the directors, could significantly affect the company's business

#### - *Competitive risks*

The directors review the hotel against a self selected group of competitor hotels. These reports allow the company to compare accommodation occupancy percentage, average rate, revenue per available room (RevPAR) and its competitive position in market penetration, average rate and revenue generation against the competitive group

#### - *Currency risk*

The hotel business is affected by the strength of sterling, with strong sterling increasing the effective room rates to international guests

#### - *Legislative risks*

Health and safety regulations are constantly reviewed and to this effect the hotel has an appointed Health and Safety Manager to carry out all legally required training and to ensure all health and safety policies are communicated and adhered to

#### - *Economic environment*

The company operates in a competitive environment influenced by the UK economy. Adverse economic and financial market developments, including recession and currency fluctuations could lead to lower revenues and reduced income. Recent experience shows a recession lessens both leisure and business travel and negatively affects rooms' rates and/or occupancy levels and other income-generating activities such as food and beverage sales. This may result in worsening of operating results and potentially reduce the value of properties

# Gold Diamond D Edinburgh 2005 Ltd

## Strategic report for the year ended 31 December 2015

### Principal risks and uncertainties (continued)

#### - *Events that impact domestic and international travel*

Room rates and occupancy levels of the hotel could be negatively affected by events that reduce domestic and/or international travel. These include events such as acts of terrorism, epidemics, travel-related industrial action and increased fuel costs all of which could result in a fall in both domestic and worldwide travel. Such events may lead to a fall in demand for hotel rooms that would have a subsequent impact on the company's operations and financial results.

#### - *Technology and systems*

The company is reliant upon certain IT systems for the smooth and efficient running of its business and any disruption to those IT systems could have a detrimental effect on the running of the business. If the company does not keep up-to-date with new IT developments it runs the risk of becoming less competitive, which could result in a loss of customers and a failure to attract new customers.

### Future developments

The company is endeavouring to improve performance.

The directors expect the hotel to trade profitably.

This report was approved by the board on 26 July 2016 and signed on its behalf by



S. Al Dhaheri  
Director



F. Veenstra  
Director

# **Gold Diamond D Edinburgh 2005 Ltd**

## **Directors' report for the year ended 31 December 2015**

The directors present their report and the unaudited financial statements of the company for the year ended 31 December 2015

### **Results and dividends**

The loss for the year, after taxation, amounted to £860,963 (2014 profit £1,504,592)

A final dividend for the year ended 31 December 2015 of £224,805 was declared on 10 March 2016

### **Going concern**

The directors believe that the company has sufficient financial resources to meet its trading obligations as and when they fall due and accordingly these financial statements have been prepared on a going concern basis

### **Future developments**

An indication of the likely future developments of the company are provided in the strategic report

### **Fixed assets**

The directors have considered the value of the company's hotel asset, revaluing it at 31 December 2015 to reflect a valuation of £11,500,000 (2014 £12,200,000) by CBRE Hotels Ltd dated 31 December 2015. The valuation was carried out in accordance with the RICS Valuation - Professional Standards effective from January 2014.

### **Financial risk management objectives and policies**

The activities of the company expose it to a number of financial risks, which it seeks to mitigate, including credit risk and liquidity risk.

#### *- Credit risk*

The company's principal financial assets are bank balances and cash, trade and other receivables. The company's credit risk is primarily attributable to its trade receivables which are stated net of allowances for doubtful receivables and where there is an identified loss event they are impaired.

Credit risk is spread over a large number of counterparties and customers.

#### *- Liquidity risk*

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the company uses short term debt from its immediate parent undertaking.

### **Directors**

The directors who held office during the year and up to the date of signing the financial statements were

S Al Dhaheri  
D White (resigned 22 March 2015)  
K Al Shamsi (appointed 23 March 2015)  
F Veenstra (appointed 27 July 2015)  
S Al Hallami - alternate (appointed 10 March 2016)

# Gold Diamond D Edinburgh 2005 Ltd

## Directors' report for the year ended 31 December 2015

### Directors' responsibilities statement

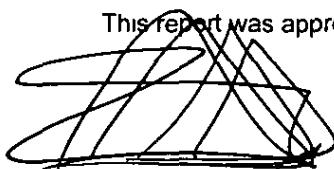
The directors are responsible for preparing the strategic report, the directors' report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', as amended by Section 1A 'Small Entities' ('FRS 102'). Under company law the directors must not approve the financial statements unless 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

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards, including FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements,
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 102 used in the preparation of financial statements, and
- 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.

This report was approved by the board on 26 July 2016 and signed on its behalf by



S. Al Dhaheri  
Director



F. Veenstra  
Director

## Gold Diamond D Edinburgh 2005 Ltd

### Profit and loss account for the year ended 31 December 2015

	Note	2015 £	2014 £
Turnover	5	7,784,188	7,755,751
Cost of sales		<u>(3,720,729)</u>	<u>(3,696,107)</u>
<b>Gross profit</b>		<b>4,063,459</b>	<b>4,059,644</b>
Administrative expenses		<u>(3,013,292)</u>	<u>(3,105,784)</u>
Impairment (charge)/reversal - tangible fixed assets	6	<u>(1,382,856)</u>	<u>1,179,630</u>
<b>Operating (loss)/profit</b>	7	<b>(332,689)</b>	<b>2,133,490</b>
Interest receivable	9	3,403	3,798
Interest payable and similar charges	10	<u>(445,855)</u>	<u>(439,227)</u>
<b>(Loss)/profit on ordinary activities before taxation</b>		<b>(775,141)</b>	<b>1,698,061</b>
Taxation on (loss)/profit on ordinary activities	11	<u>(85,822)</u>	<u>(193,469)</u>
<b>(Loss)/profit for the year</b>		<b><u>(860,963)</u></b>	<b><u>1,504,592</u></b>

There were no recognised gains and losses for 2015 or 2014 other than those included in the profit and loss account

The notes on pages 8 to 21 form part of these financial statements



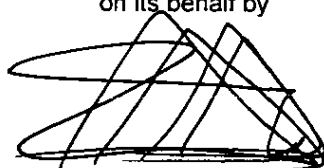
# Gold Diamond D Edinburgh 2005 Ltd

Registered number:FC026283

## Balance sheet as at 31 December 2015

	Note	2015 £	2014 £
<b>Fixed assets</b>			
Intangible assets	13	-	-
Tangible assets	14	11,500,000	12,200,000
		<u>11,500,000</u>	<u>12,200,000</u>
<b>Current assets</b>			
Stocks	15	31,281	30,637
Debtors	16	1,058,410	840,887
Cash at bank and in hand		588,488	1,071,772
		<u>1,678,179</u>	<u>1,943,296</u>
Creditors Amounts falling due within one year	17	(928,749)	(1,064,045)
<b>Net current assets</b>		<u>749,430</u>	<u>879,251</u>
<b>Total assets less current liabilities</b>		<u>12,249,430</u>	<u>13,079,251</u>
Creditors Amounts falling due after more than one year	18	(7,919,490)	(7,888,348)
<b>Net assets</b>		<u><u>4,329,940</u></u>	<u><u>5,190,903</u></u>
<b>Capital and reserves</b>			
Called up share capital	20	3,370,782	3,370,778
Retained earnings		959,158	1,820,125
<b>Total equity</b>		<u><u>4,329,940</u></u>	<u><u>5,190,903</u></u>

The financial statements on pages 5 to 22 were approved by the board on 26 July 2016 and were signed on its behalf by



S Al Dhaheri  
Director



F. Veenstra  
Director

## Gold Diamond D Edinburgh 2005 Ltd

### Statement of changes in equity for the year ended 31 December 2015

	Called up share capital £	Retained earnings £	Total equity £
At 1 January 2015	3,370,778	1,820,125	5,190,903
Loss for the financial year	-	(860,963)	(860,963)
Redenomination of share capital	4	-	4
Redenomination of share capital	-	(4)	(4)
At 31 December 2015	<u>3,370,782</u>	<u>959,158</u>	<u>4,329,940</u>

### Statement of changes in equity for the year ended 31 December 2014

	Called up share capital £	Retained earnings £	Total equity £
At 1 January 2014	3,370,778	582,977	3,953,755
Profit for the financial year	-	1,504,592	1,504,592
Dividends	-	(267,444)	(267,444)
At 31 December 2014	<u>3,370,778</u>	<u>1,820,125</u>	<u>5,190,903</u>

The notes on pages 8 to 21 form part of these financial statements

# Gold Diamond D Edinburgh 2005 Ltd

## Notes to the financial statements for the year ended 31 December 2015

### 1. General information

Gold Diamond D Edinburgh 2005 Ltd ('the company') operates a hotel in the United Kingdom

The company is a private company limited by shares and is incorporated in the British Virgin Islands. The address of its registered office is 171 Main Street, PO Box 4041, Road Town, Tortola, British Virgin Islands. The address of the principal place of business is 400 Capability Green, Luton, Bedfordshire, LU1 3LU, United Kingdom.

### 2. Statement of compliance

The individual financial statements of Gold Diamond D Edinburgh 2005 Ltd have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, 'the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland', as amended by Section 1A 'Small Entities' ('FRS 102') and the Companies Act 2006.

### 3. Accounting policies

#### 3.1 Basis of preparation of financial statements

The financial statements have been prepared on a going concern basis, under the historical cost convention as modified by the revaluation of land and buildings.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated. The company has adopted FRS 102 in these financial statements. Details of the transition to FRS 102 are disclosed in note 26.

#### 3.2 Going concern

The directors believe that the company has sufficient financial resources to meet its trading obligations as and when they fall due and accordingly these financial statements have been prepared on a going concern basis.

#### 3.3 Turnover

Turnover is the value of services and goods sold, within the United Kingdom, as part of the company's continuing ordinary activities after deducting value added taxes.

##### (i) Sale of services

Turnover is recognised on room sales and guest services when rooms are occupied and services have been rendered.

##### (ii) Sale of goods - retail

Sales of goods are recognised on sale to the customer which is considered the point of delivery. Retail sales are usually by cash, credit or payment card.

# Gold Diamond D Edinburgh 2005 Ltd

## Notes to the financial statements for the year ended 31 December 2015

### 3. Accounting policies (continued)

#### 3.4 Exceptional items

The company classifies certain one-off charges or credits that have a material impact on the company's financial results as 'exceptional items'. These are disclosed separately to provide further understanding of the financial performance of the company.

#### 3.5 Interest receivable

Interest receivable is recognised in the profit and loss account using the effective interest method.

#### 3.6 Interest payable and similar charges

Interest payable is charged to the profit and loss account over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

#### 3.7 Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

##### (i) Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

##### (ii) Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when 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 tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

# Gold Diamond D Edinburgh 2005 Ltd

## Notes to the financial statements for the year ended 31 December 2015

### 3. Accounting policies (continued)

#### 3.8 Dividends

Dividends and other distributions to the company's shareholders are recognised as a liability in the period in which the dividends and other distributions are approved by the company's shareholders. The amounts are recognised in the statement of changes in equity.

The company makes dividend distributions to its shareholders as permissible under the regulations set out within Division 4 of the BVI Business Companies Act, 2004.

#### 3.9 Intangible assets

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the profit and loss account over its estimated economic life.

#### 3.10 Tangible fixed assets

Tangible fixed assets include freehold hotels. Land and hotel buildings are stated at fair value, and hotel fixtures, fittings and equipment are stated at cost. Hotel refurbishment costs are capitalised in the period in which they are incurred. Repairs and maintenance costs are expensed as incurred.

A full valuation is carried out by a qualified external valuer every year. Revaluation gains are taken to the statement of other comprehensive income unless reversing a previously recognised impairment, when they are recognised in the profit and loss account. Revaluation losses are recognised in the statement of other comprehensive income to the extent that they offset previous revaluation gains. All other losses, including those incurred by a clear consumption of economic benefit, are charged to the profit and loss account. On revaluation of assets carried at fair value, accumulated depreciation at the date of valuation is taken to the statement of other comprehensive income.

Freehold land is not depreciated. Depreciation on hotel buildings, fixtures, fittings and equipment is provided at rates calculated to write off the value/cost less estimated residual value of each asset over its expected useful life.

Depreciation is provided on the following bases:

Freehold buildings	-	Lesser of estimated useful life and 50 years
Fixtures, fittings and equipment	-	Between 3 and 25 years

The carrying value of fixtures, fittings and equipment is reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable as well as at the end of each reporting period. Any impairment in the value of assets below depreciated cost is charged to the profit and loss account.

#### 3.11 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to sell.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the profit and loss account.

# **Gold Diamond D Edinburgh 2005 Ltd**

## **Notes to the financial statements for the year ended 31 December 2015**

### **3. Accounting policies (continued)**

#### **3.12 Cash**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours

#### **3.13 Financial instruments**

##### **(i) Financial assets**

Basic financial assets, including trade and other debtors and cash and bank balances are initially recognised at transaction price. Such assets are subsequently measured at amortised cost using the effective interest method.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the profit and loss account.

##### **(ii) Financial liabilities**

Basic financial instruments, including trade and other creditors and loans from fellow group companies are initially recognised at transaction price.

Trade creditors are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **(iii) Offsetting**

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### **3.14 Foreign currency translation**

The company's functional and presentational currency is pound sterling.

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the profit and loss account.

#### **3.15 Operating leases - lessee**

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

# **Gold Diamond D Edinburgh 2005 Ltd**

## **Notes to the financial statements for the year ended 31 December 2015**

### **4. Critical accounting judgements and estimation uncertainty**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances

#### **(i) Tangible fixed assets**

Tangible fixed assets are revalued annually by independent valuers to assess the fair value of the hotel assets

The annual depreciation charge for tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 14 for the carrying amount of tangible fixed assets

#### **(ii) Impairment of trade debtors**

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 16 for the net carrying amount of the debtors and associated impairment provision

#### **(iii) Taxes**

Determining income tax provisions involves judgements on the tax treatment of certain transactions. Deferred tax is recognised on tax losses not yet used on temporary differences where it is probable that there will be taxable income against which these can be offset. See note 19 for details of deferred tax recognised

#### **(iv) Contingent liabilities**

The company considers the potential obligations which may be incurred as a result of past events and the uncertainty of the impact on the company. Where the company identifies a present obligation for which payment is probable and the amount can be reliably estimated a provision is recognised. See note 23 for details

### **5. Turnover**

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom

Management considers turnover to comprise principally of services, with an immaterial value of goods sold

# Gold Diamond D Edinburgh 2005 Ltd

## Notes to the financial statements for the year ended 31 December 2015

### 6. Exceptional items

	2015 £	2014 £
Impairment (charge)/reversal - tangible fixed assets (note 14)	(1,382,856)	1,179,630
	<u>(1,382,856)</u>	<u>1,179,630</u>

#### Impairment (charge)/reversal - tangible fixed assets

The directors have considered the carrying value of the company's hotel asset following a valuation by CBRE Hotels Ltd dated 31 December 2015, carried out in accordance with the RICS valuation - Professional Standards effective from January 2014. This resulted in an impairment charge of £1,382,856 (2014 reversal of impairment of £1,179,630)

### 7. Operating (loss)/profit

The operating (loss)/profit is stated after charging/(crediting)

	2015 £	2014 £
Depreciation of tangible fixed assets (note 14)	129,705	55,443
Difference on foreign exchange	-	(119)
Operating lease rentals	<u>14,767</u>	<u>14,767</u>

### 8. Staff costs

The company had no employees other than the directors during the year ended 31 December 2015 or the previous financial year

The directors did not receive or waive any emoluments in respect of their services to the company during the year ended 31 December 2015 or the previous financial year

### 9. Interest receivable

	2015 £	2014 £
Bank interest receivable	3,403	3,798
	<u>3,403</u>	<u>3,798</u>

### 10. Interest payable and similar charges

	2015 £	2014 £
Loans from parent undertakings	414,714	415,014
Loan arrangement fees	31,141	24,213
	<u>445,855</u>	<u>439,227</u>



# Gold Diamond D Edinburgh 2005 Ltd

## Notes to the financial statements for the year ended 31 December 2015

### 11. Taxation

There is no current tax for the financial year ended 31 December 2015 or the previous financial year

	2015 £	2014 £
<b>Deferred tax</b>		
Origination and reversal of timing differences	80,351	195,373
Impact of change in tax rate	18,575	(13,573)
Adjustment in respect of prior periods	(13,104)	11,669
<b>Taxation on (loss)/profit on ordinary activities</b>	<b>85,822</b>	<b>193,469</b>

### Factors affecting tax charge for the year

The tax assessed for the year is higher than (2014 lower than) the standard rate of corporation tax in the UK of 20.25% (2014 21.49%). The differences are explained below

	2015 £	2014 £
(Loss)/profit on ordinary activities before tax	(775,141)	1,698,061
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.25% (2014 21.49%)	(156,940)	364,913
<b>Effects of</b>		
Expenses not deductible for tax purposes	6,249	23,878
Adjustments in respect of prior periods	(13,104)	11,669
Unrecognised deferred tax	-	19,390
Impairment - tangible fixed assets	225,714	(212,808)
Impact of change in tax rate	18,575	(13,573)
Group relief	5,328	-
<b>Total tax charge for the year</b>	<b>85,822</b>	<b>193,469</b>

### Factors that may affect future tax charges

A change to the UK corporation tax rate was announced in the Chancellor's Budget on 16 March 2016. The change announced is to reduce the main rate to 17% from 1 April 2020. Changes to reduce the UK corporation tax rate to 19% from 1 April 2017 and to 18% from 1 April 2020 had already been substantively enacted on 26 October 2015.

As the change to 17% had not been substantively enacted at the balance sheet date its effects are not included in these financial statements.

Deferred tax balances have been calculated at 18% as at the balance sheet date.

## Gold Diamond D Edinburgh 2005 Ltd

### Notes to the financial statements for the year ended 31 December 2015

#### 12. Dividends

	2015 £	2014 £
Interim dividend	-	267,444
	<u>-</u>	<u>267,444</u>

A final dividend has been proposed for the year ended 31 December 2015. This is expected to absorb £224,805 (2014 £Nil) of reserves. The dividend has not been accounted for within the current year financial statements.

#### 13. Intangible assets

	Goodwill £
<b>Cost</b>	
At 1 January 2015 and 31 December 2015	<u>2,513,731</u>
<b>Amortisation</b>	
At 1 January 2015 and 31 December 2015	<u>2,513,731</u>
<b>Net book value</b>	
At 31 December 2015	<u>-</u>
At 31 December 2014	<u>-</u>

# Gold Diamond D Edinburgh 2005 Ltd

## Notes to the financial statements for the year ended 31 December 2015

### 14. Tangible fixed assets

	Freehold land and buildings (At valuation) £	Fixtures and fittings (At cost) £	Total £
<b>Valuation/cost</b>			
At 1 January 2015	11,850,692	9,253,014	21,103,706
Additions	51,552	761,009	812,561
Revaluation	(1,382,856)	-	(1,382,856)
Reversal of depreciation on revaluation	(38,317)	-	(38,317)
<b>At 31 December 2015</b>	<b>10,481,071</b>	<b>10,014,023</b>	<b>20,495,094</b>
<b>Accumulated depreciation</b>			
At 1 January 2015	-	8,903,706	8,903,706
Charge for the year	38,317	91,388	129,705
Reversal on revaluation	(38,317)	-	(38,317)
<b>At 31 December 2015</b>	<b>-</b>	<b>8,995,094</b>	<b>8,995,094</b>
<b>At 31 December 2015</b>	<b>10,481,071</b>	<b>1,018,929</b>	<b>11,500,000</b>
At 31 December 2014	11,850,692	349,308	12,200,000

The directors have considered the value of the company's hotel asset, revaluing it at 31 December 2015 to reflect a valuation of £11,500,000 (2014 £12,200,000) by CBRE Hotels Ltd dated 31 December 2015. The valuation was carried out in accordance with the RICS Valuation - Professional Standards effective from January 2014.

The valuation has been incorporated into the financial statements, the resulting revaluation adjustment has been taken to the profit and loss account. The revaluation during the year ended 31 December 2015 resulted in a revaluation deficit of £1,382,856.

If the land and buildings had not been revalued, they would have been included at the following amounts:

	2015 £	2014 £
Cost	23,257,979	23,206,427
Accumulated depreciation	(12,776,908)	(11,355,735)
<b>Net book value based on historical cost</b>	<b>10,481,071</b>	<b>11,850,692</b>

# Gold Diamond D Edinburgh 2005 Ltd

## Notes to the financial statements for the year ended 31 December 2015

### 15. Stocks

	2015 £	2014 £
Finished goods and goods for resale	31,281	30,637
	<u>31,281</u>	<u>30,637</u>

### 16. Debtors

	2015 £	2014 £
<b>Due after more than one year</b>	-	-
Deferred tax asset (note 19)	175,982	261,804
<b>Due within one year</b>		
Trade debtors	482,654	320,511
Amounts owed by group undertakings	224,805	90,175
Other debtors	-	2,437
Prepayments and accrued income	174,969	165,960
	<u>1,058,410</u>	<u>840,887</u>

Amounts owed by group undertakings are unsecured, interest free and repayable on demand

Trade debtors are stated after provisions for impairment of £3,525 (2014 £3,245)

### 17. Creditors: Amounts falling due within one year

	2015 £	2014 £
Trade creditors	422,668	261,359
Amounts owed to group undertakings	-	9,503
Dividends payable	-	241,653
Other taxation and social security	34,448	7,085
Other creditors	11,807	7,631
Accruals and deferred income	459,826	536,814
	<u>928,749</u>	<u>1,064,045</u>

Amounts owed to group undertakings are unsecured, interest free and repayable on demand

## Gold Diamond D Edinburgh 2005 Ltd

### Notes to the financial statements for the year ended 31 December 2015

#### 18. Creditors Amounts falling due after more than one year

	2015 £	2014 £
Loan from parent undertaking	7,919,490	7,888,348
	<u>7,919,490</u>	<u>7,888,348</u>

In the previous financial year, the company entered into three new loan agreements with Silver Diamond TEHC24 Sarl, the immediate parent undertaking. The loans are repayable on 17 April 2024 or within 4 years and 350 days from the date of agreement with 30 days written notice.

The loan interest is payable quarterly and included within amounts owed to group undertakings, as a creditor due within one year. Loan arrangement fees are amortised over the loan term and the loan is shown net of these deferred fees.

The loan principal values and interest rates are shown in the table below.

Loan principal £	Arrangement fee %	Unamortised arrangement fee £	Interest rate LIBOR 3mGBP %
3,636,216	3.79%	90,087	+3.14% (capped at 3.50%)
909,054	2.12%	12,559	+3.14%
3,476,866	-	-	+6.51%
<u>8,022,136</u>		<u>102,646</u>	

# Gold Diamond D Edinburgh 2005 Ltd

## Notes to the financial statements for the year ended 31 December 2015

### 19 Deferred taxation

	Deferred tax £
At 1 January 2015	261,804
Charged to the profit and loss account	(85,822)
<b>At 31 December 2015</b>	<b>175,982</b>

The deferred tax asset is made up as follows

	2015 £	2014 £
Accelerated capital allowances	175,982	261,804
Tax losses carried forward	457,627	500,025
Deferred tax not recognised	(457,627)	(500,025)
	<b>175,982</b>	<b>261,804</b>

A deferred tax asset of £457,627 (2014 £500,025) arising from trading losses has not been recognised as there is insufficient evidence of future taxable profits to confirm recoverability in the foreseeable future

### 20. Share capital

	2015 £	2014 £
<b>Allotted, called up and fully paid</b>		
10 ordinary shares of US\$1 each	-	6
3,370,782 (2014 3,370,772) ordinary shares of £1 each	3,370,782	3,370,772
	<b>3,370,782</b>	<b>3,370,778</b>

The directors have reviewed the share capital and note that all issued shares are denominated in GBP rather than USD. Share capital has been amended accordingly.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the company.

# Gold Diamond D Edinburgh 2005 Ltd

## Notes to the financial statements for the year ended 31 December 2015

### 21. Capital commitments

At 31 December 2015 the company had capital commitments as follows

	2015 £	2014 £
Contracts placed for future capital expenditure not provided in the financial statements	207,043	-
	<u>207,043</u>	<u>-</u>

### 22 Commitments under operating leases

At 31 December 2015 the company had the following future minimum lease payments under non-cancellable operating leases for each of the following periods

	2015 £	2014 £
Not later than 1 year	9,733	14,466
Later than 1 year and not later than 5 years	995	9,221
<b>Total</b>	<u>10,728</u>	<u>23,687</u>

### 23. Contingent liability

During the previous financial year, the company entered into a facility agreement with a number of third parties, in respect of a loan to Silver Diamond TEHC24 Sàrl, the immediate parent undertaking and another group undertaking, of up to £340,000,000 which has been fully drawn at the year end date. This loan was secured by way of a fixed and floating charge over the present and future property and assets of the company and those of several other group undertakings. The directors do not anticipate the security being called in.

### 24. Related party transactions

The company is exempt from disclosing related party transactions with companies that are wholly owned within the Tamweelview European Holdings SA group.

# Gold Diamond D Edinburgh 2005 Ltd

## Notes to the financial statements for the year ended 31 December 2015

### 25 Immediate and ultimate parent undertakings and controlling party

The immediate parent undertaking is Silver Diamond TEHC24 Sarl, a company registered in Luxembourg. Silver Diamond TEHC24 Sarl is the parent undertaking of the smallest group to consolidate these financial statements.

Tamweelview European Holdings SA, a company registered in Luxembourg is the parent undertaking of the largest group to consolidate these financial statements, copies of which are available from 2C rue Albert Borschette, L-1246 Luxembourg, Grand Duchy of Luxembourg.

The ultimate parent undertaking is Silver Holdings SA, a company registered in Luxembourg.

The ultimate controlling entity is the Abu Dhabi Investment Authority, registered in United Arab Emirates.

### 26. First time adoption of FRS 102

This is the first year that the company has presented its results under FRS 102.

The last financial statements prepared under UK GAAP were for the year ended 31 December 2014. The date of transition to FRS 102 was 1 January 2014. Set out below is the change in accounting policy which reconciles profit for the year ended 31 December 2014 and the total equity as at 1 January 2014 and 31 December 2014 between UK GAAP as previously reported and FRS 102.

	2014 £
<b>Profit and loss account</b>	
UK GAAP - as previously reported	1,698,061
Deferred tax impact of revaluation of tangible fixed assets	(193,469)
<b>FRS 102</b>	<b>1,504,592</b>

	1 January 2014 £	31 December 2014 £
<b>Total equity</b>		
UK GAAP - as previously reported	3,498,482	4,929,099
Deferred tax impact of revaluation of tangible fixed assets	455,273	261,804
<b>FRS 102</b>	<b>3,953,755</b>	<b>5,190,903</b>

### Deferred tax impact on revaluation of tangible fixed assets

Under the previous UK GAAP the company was not required to provide for taxation on revaluations, unless the company had entered into a binding sale agreement and recognised the gain or loss expected to arise. Under FRS 102 deferred taxation is provided on the temporary difference arising from the revaluation. A deferred tax credit of £455,273 arose on transition to FRS 102. For the year ended 31 December 2014 there is a tax charge arising of £193,469 on the increase in valuation in the year.