

easyHotel Limited

Abbreviated Accounts

Year Ended

31 December 2009

Company Number 05018910

THURSDAY



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easyHotel Limited

Abbreviated accounts for the year ended 31 December 2009

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Director

Sir Stelios Haji-Ioannou

Registered office

80 Old Street, London EC1V 9AZ

Company number

05018910

Auditors

BDO LLP, 55 Baker Street, London, W1U 7EU

easyHotel Limited

Independent auditor's report

TO THE MEMBERS OF EASYHOTEL LIMITED UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts which comprise the balance sheet and the related notes, together with the accounts of easyHotel Limited for the year ended 31 December 2009 prepared under section 396 of the Companies Act 2006

Our report has been prepared pursuant to the requirements of section 449 of the Companies Act 2006 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of section 449 of the Companies Act 2006 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

Respective responsibilities of the director and auditors

The director is responsible for preparing the abbreviated accounts in accordance with section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated financial accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the accounts, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 444(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.



Marc Reinecke, (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
London
United Kingdom

15 December 2010

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

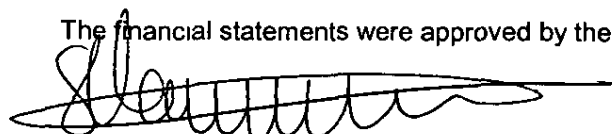
easyHotel Limited

Balance sheet at 31 December 2009

<i>Company number 05018910</i>	Note	2009 £	2009 £	2008 £	2008 £
Current assets					
Debtors		158,264		385,332	
Cash at bank		522,590		370,182	
		<u>680,854</u>		<u>755,514</u>	
Creditors amounts falling due within one year		1,110,629		739,343	
		<u></u>		<u></u>	
Net current assets			(429,775)		16,171
			<u></u>		<u></u>
Total assets less current liabilities			(429,775)		16,171
Creditors amounts falling due after more than one year	2	1,058,069		943,409	
		<u></u>	(1,058,069)	<u></u>	(943,409)
			<u>(1,487,844)</u>		<u>(927,238)</u>
Capital and reserves					
Called up share capital	3		1		1
Profit and loss account			(1,487,845)		(927,239)
			<u></u>		<u></u>
Shareholders' deficit			(1,487,844)		(927,238)
			<u></u>		<u></u>

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

The financial statements were approved by the Director and authorised for issue on 10 December 2010


Sir Stelios Haji-Ioannou
Director

10th Dec 10

The notes on pages 3 to 5 form part of these abbreviated accounts

easyHotel Limited

Notes forming part of the abbreviated accounts for the year ended 31 December 2009

1 Accounting policies

The accounts have been prepared under the historical cost convention and are in accordance with applicable accounting standards

Going concern

The director has prepared the accounts on a going concern basis which they deem to be appropriate based on forecasted future trading and support from the parent company, easyGroup Holdings Limited

easyGroup Holdings Limited has informed the company that it has undertaken to continue to provide such financial support as the company requires for its continued operations

Cash flow statement

The director has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the accounts on the grounds that the company is small

Turnover

Revenue earned from room bookings in relation to the hotel which the company operated through part of the prior year is recognised on the date that the room is occupied

Following a recent review, the company has clarified its customer terms and conditions to state that it contracts with its hotel customers on a principal to principal basis. Following this change, the full amount which the customer pays for occupying a room at a franchisees hotel is recognised as revenue and the amounts repatriated to the franchisees after deducting a franchise fee are classed as costs of sales. The presentation of the prior year figures has been amended to reflect the revised policy.

Where the company is entitled to receive upfront fees in relation to franchise agreements these are recognised as revenue when the contractual services are estimated to have been provided in accordance with the terms of the contract or over the term of the license. Where the terms of exclusivity contracts are breached, the related deferred revenue is recognised in the year in which the breach occurs.

Fixed assets

All fixed assets are recorded at cost less provision for depreciation

Depreciation

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

Freehold buildings	-	over 25 years
Plant and machinery	-	over 7 years
Fixtures and fittings	-	over 5 years
Computer equipment	-	over 3 years

Freehold land is not depreciated

easyHotel Limited

Notes forming part of the abbreviated accounts for the year ended 31 December 2009 (Continued)

1 Accounting policies (Continued)

Gains and losses on disposal of fixed assets

The profit or loss on the disposal of a tangible fixed asset is accounted for in the profit and loss account in the year in which the disposal occurs as the difference between the net sale proceeds and the carrying amount

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exception

- Deferred tax assets are recognised only to the extent that the director considers that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the years in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the profit and loss account

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities

2 Creditors: amounts falling due after more than one year

	2009 £	2008 £
Bank loans and overdrafts	-	-
Deferred royalty revenue	1,058,069	943,409
	<u>1,058,069</u>	<u>943,409</u>

easyHotel Limited

Notes forming part of the abbreviated accounts
for the year ended 31 December 2009 (*Continued*)

3 Share capital

	Authorised			
	2009 Number	2008 Number	2009 £	2008 £
Ordinary shares of £1 each	100	100	100	100
	Allotted, called up and fully paid			
	2009 Number	2008 Number	2009 £	2008 £
Ordinary shares of £1 each	1	1	1	1

4 Parent undertaking

The company's immediate and ultimate parent undertaking is easyGroup Holdings Limited, a company registered in the Cayman Islands whose ultimate controlling party is the Stelios Trust, a Cayman Islands trust set up for the benefit of Sir Stelios Haji-Ioannou and others and in which he participates in the management of it. The financial statements of easyGroup Holdings Limited are not available to the public. easyGroup Holdings Ltd operates from its branch office in Monaco with the following address: 8&9 Le Ruscino 14 Quai Antoine 1er Monaco MC 98000.