

**DLF Global Hospitality Ltd**

## **Report of the Board of Directors**

---

The Board of Directors presents its report and audited separate financial statements of the Company for the year ended 31 March 2015.

### **Incorporation**

The Company DLF Global Hospitality Ltd was incorporated in Cyprus on 14 August 2006 as a private company with limited liability under the Companies Law, Cap. 113.

### **Principal activity**

The principal activity of the Company, which is unchanged from last year, is the investment in, developing of, managing hotels and other related commercial activities.

No operations of the Company are carried out through any branch.

### **Review of financial performance, position, future developments, and significant risks**

The Company's results for the year are set out on pages 8 and 9. The Company's financial results as presented in the financial statements are not considered satisfactory. The Board of Directors is making an effort to reduce the losses and at the same time to increase revenues in order for the Company to become profitable.

The Company's financial position as presented in the financial statements is considered satisfactory.

The Board of Directors of the Company does not anticipate any significant changes or developments in relation to the activities of the Company in the foreseeable future.

The most significant risks faced by the Company and the steps taken to manage these risks, are described in note 5 to the financial statements.

### **Dividends**

The Board of Directors does not recommend the payment of a dividend.

### **Share capital**

There were no changes in the share capital of the Company during the year.

### **Board of Directors**

The members of the Board of Directors of the Company as at 31 March 2015 and as at the date of this report are shown on page 1. All of them were members of the board throughout the year ended 31 March 2015.

In accordance with the Company's Articles of Association all Directors presently members of the Board continue in office.

There were no significant changes in the assignment of responsibilities and remuneration of the Board of Directors.

**DLF Global Hospitality Ltd**

## **Report of the Board of Directors**

---

### **Events after the end of the reporting year**

There were no material events after the reporting date, which have a bearing on the understanding of the financial statements.

### **Independent Auditors**

The independent auditors, Grant Thornton (Cyprus) Ltd, have expressed their willingness to continue in office and a resolution giving authority to the Board of Directors to fix their remuneration will be proposed at the Annual General Meeting.

By order of the Board of Directors,

  
CCY Services Ltd  
Secretary

Nicosia, Cyprus, 13 May 2015



# Grant Thornton

Grant Thornton (Cyprus) Limited  
41-49 Agiou Nicolaou Street  
Nimeli Court - Block C  
2408 Engomi, Nicosia  
P.O. Box 23907  
1687 Nicosia  
Cyprus

T +357 22600000  
F +357 22600001  
[www.gtcyprus.com](http://www.gtcyprus.com)

## Independent Auditor's Report to the Members of DLF Global Hospitality Ltd

### Report on the Financial Statements

We have audited the accompanying separate financial statements of the parent company DLF Global Hospitality Ltd (the "Company"), which comprise the statement of financial position as at 31 March 2015 and the statements of profit or loss, comprehensive income, changes in equity, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### *Board of Directors' Responsibility for the Financial Statements*

The Board of Directors is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union (EU) and the requirements of the Cyprus Companies Law, Cap 113, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors, as well as evaluating the overall presentation of the financial statements.



INVESTORS  
IN PEOPLE

Partners:  
Stavros Ioannou (CEO)  
Augustinos Papathomas  
Stefos Loizides  
George Pouras  
George Karavis  
Stephen Michaelides  
Achilleas Achilleos  
Nicos Moutouris  
Polyvios Polyviou  
Antonis Loyides  
Froso Yiangoulli  
Melpo Konnari

Member of Grant Thornton International Ltd

## Independent Auditor's Report to the Members of DLF Global Hospitality Ltd (continued)

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, the financial statements give a true and fair view of the financial position of the parent company DLF Global Hospitality Ltd as at 31 March 2015 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union (EU) and the requirements of the Cyprus Companies Law, Cap 113.

### *Emphasis of Matter*

Without qualifying our opinion on these separate financial statements, we draw attention to note 2.1 to the financial statements and more specifically the Basis of Preparation, where it is explained that the Company, taking advantage of relevant Companies Law, Cap 113 exemptions, has prepared only separate financial statements without preparing also consolidated financial statements based on the requirements of IFRS 10: "Consolidated Financial Statements".

### **Report on Other Legal Requirements**

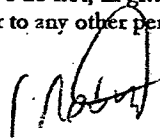
Pursuant to the requirements of the Auditors and Statutory Audits of Annual and Consolidated Accounts Laws of 2009 and 2013, we report the following:

- We have obtained all the information and explanations we considered necessary for the purposes of our audit.
- In our opinion, proper books of account have been kept by the Company, so far as appears from our examination of these books.
- The Company's financial statements are in agreement with the books of account.
- In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Cyprus Companies Law, Cap. 113, in the manner so required.
- In our opinion, the information given in the report of the Board of Directors is consistent with the financial statements.

**Independent Auditor's Report to the Members of DLF  
Global Hospitality Ltd (continued)**

**Other Matter**

This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 34 of the Auditors and Statutory Audits of Annual and Consolidated Accounts Laws of 2009 and 2013 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whose knowledge this report may come to.



**George Poulos**  
Certified Public Accountant and Registered Auditor  
for and on behalf of

**Grant Thornton (Cyprus) Ltd**  
Certified Public Accountants and Registered Auditors

Nicosia, 13 May 2015

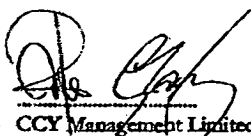
**DLF Global Hospitality Ltd**


**Statement of financial position**

31 March 2015

	Note	2015 US\$	2014 US\$
<b>ASSETS</b>			
<b>Non-current assets</b>			
Investments in subsidiaries	7	<u>134,847,381</u>	<u>134,847,381</u>
		<u>134,847,381</u>	<u>134,847,381</u>
<b>Current assets</b>			
Cash and cash equivalents	8	<u>15,320,385</u>	<u>16,286,058</u>
		<u>15,320,385</u>	<u>16,286,058</u>
<b>Total assets</b>		<u><b>150,167,766</b></u>	<u><b>151,133,439</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	9	49,052,540	49,052,540
Other reserves	10	197,200,800	197,200,800
Accumulated losses		<u>(120,018,687)</u>	<u>(119,920,778)</u>
<b>Total equity</b>		<u><b>126,234,653</b></u>	<u><b>126,332,562</b></u>
<b>Non-current liabilities</b>			
Borrowings	11	<u>10,438,096</u>	<u>10,438,096</u>
		<u>10,438,096</u>	<u>10,438,096</u>
<b>Current liabilities</b>			
Trade and other payables	12	<u>13,495,017</u>	<u>14,362,781</u>
		<u>13,495,017</u>	<u>14,362,781</u>
<b>Total liabilities</b>		<u><b>23,933,113</b></u>	<u><b>24,800,877</b></u>
<b>Total equity and liabilities</b>		<u><b>150,167,766</b></u>	<u><b>151,133,439</b></u>

On 13 May 2015 the Board of Directors of DLF Global Hospitality Ltd authorised these financial statements for issue.

  
 \_\_\_\_\_  
 CCY Management Limited  
 Director

  
 \_\_\_\_\_  
 Pimlento Limited  
 Director

The notes on pages 12 to 27 form an integral part of these financial statements.

DLF Global Hospitality Ltd

## Statement of profit or loss

Year ended 31 March 2015

	Note	2015 US\$	2014 US\$
Net profit from investing activities	13	-	10,762,983
Administration expenses	14	(96,151)	(366,553)
Operating (loss) / profit		(96,151)	10,396,430
Finance income	15	316	-
Finance costs	15	(2,074)	(11,948,515)
Loss before tax		(97,909)	(1,552,085)
Taxation expense	16	-	-
Loss for the year		(97,909)	(1,552,085)

The notes on pages 12 to 27 form an integral part of these financial statements.

DLF Global Hospitality Ltd

## Statement of comprehensive income

Year ended 31 March 2015

	Note	2015 US\$	2014 US\$
Loss for the year		<u>(97,909)</u>	<u>(1,552,085)</u>
Other comprehensive income			
Reclassifications to profit or loss			
Reclassification to profit or loss due to disposal		<u>-</u>	<u>1,983,600</u>
Other comprehensive income		<u>-</u>	<u>1,983,600</u>
Total comprehensive losses / income for the year		<u>(97,909)</u>	<u>431,515</u>

The notes on pages 12 to 27 form an integral part of these financial statements.



DLF Global Hospitality Ltd

Statement of changes in equity

Year ended 31 March 2015

	Share capital US\$	Other reserves (Note 10) US\$	Accumulated losses US\$	Total US\$
At 1 April 2013	49,052,540	195,217,200	(118,368,693)	125,901,047
Comprehensive income				
Loss for the year	-	-	(1,552,085)	(1,552,085)
Reclassification to profit or loss due to disposal	-	1,983,600	-	1,983,600
Total comprehensive income for 2014	-	1,983,600	(1,552,085)	431,515
At 31 March 2014 / 1 April 2014	49,052,540	197,200,800	(119,920,778)	126,332,562
Comprehensive income				
Loss for the year	-	-	(97,909)	(97,909)
Total comprehensive losses for 2015	-	-	(97,909)	(97,909)
At 31 March 2015	49,052,540	197,200,800	(120,018,687)	126,234,653

Companies which do not distribute 70% of their profits after tax, as defined by the relevant tax law, within two years after the end of the relevant tax year, will be deemed to have distributed as dividends 70% of these profits. Special contribution for defence at 17% will be payable on such deemed dividends to the extent that the shareholders (companies and individuals) are Cyprus tax residents. The amount of deemed distribution is reduced by any actual dividends paid out of the profits of the relevant year at any time. This special contribution for defence is payable for the account of the shareholders.