COMPANY REGISTRATION NUMBER: 02132321

Belrun Limited

Financial Statements

31 December 2016

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Belrun Limited

Directors' Report

Year Ended 31 December 2016

The directors present their report and the financial statements of the company for the year ended 31 December 2016.

Principal Activities

The company's principal activity is the renting of luxury apartments. The company traded at a profit for the year. The directors believe the results will continue to improve during the ensuing year.

Going Concern

The directors consider it appropriate to prepare the financial statements on the going concern basis as its immediate parent undertaking Amerland Inc, has confirmed that during the foreseeable future it will not claim settlement of its intercompany debt prior to settlements of the company's creditors.

Strategic Report

The company has taken exemption available under the small company provisions contained in the Companies Act 2006 from preparing a Strategic report to this financial statements.

Directors

The directors who served the company during the year were as follows:

Mr VK Sodhy
Mr AC Roberts

Directors' Responsibilities Statement

The directors are responsible for preparing 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 elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and 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 judgments and accounting estimates that are reasonable and prudent.
- 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.

Auditor

RSM UK Audit LLP have indicated its willingness to continue as auditors.

Statement as to Disclosure of Information to Auditors

The directors who were in office on the date of approval of these financial statements have confirmed that, as far as they are aware, there is no relevant audit information of which the auditor is unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Small Company Provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board of directors on 12 September 2017 and signed on behalf of the board by:

Mr AC Roberts
Director

Registered office:
4th Floor, 239 Kensington High Street
London
W8 6SA

Independent Auditor's Report to the Members of Belrun Limited

Year Ended 31 December 2016

Opinion on Financial Statements

We have audited the financial statements on pages 5 to 15. 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".

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Scope of the Audit of the Financial Statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at http://www.frc.org.uk/auditscopeukprivate.

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 and, based on the work undertaken in the course of our audit, the Directors' Report has been prepared in accordance with applicable legal requirements

Matters on Which We are Required to Report by Exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report.

We have nothing to report in respect of the following 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
- we have not received all the information and explanations we require for our audit; 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 from the requirement to prepare a strategic report.

Independent Auditor's Report to the Members of Belrun Limited *(continued)*

Year Ended 31 December 2016

Respective Responsibilities of Directors and Auditor

As more fully explained in the Directors' Responsibilities Statement set out on page 1, 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.

This report is made solely to the company's members, 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 members 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

Christopher Tate (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered accountants
25 Farringdon Street
London
EC4A 4AB

28th September 2017

Belrun Limited

Statement of Income and Retained Earnings

Year Ended 31 December 2016

	Note	2016 £	2015 £
Turnover	4	3,077,110	*3,105,151*
Cost of sales		(887,463)	*(1,191,782)*
Gross Profit		2,189,647	*1,913,369*
Administrative expenses		(1,163,996)	*(1,161,161)*
Operating Profit		1,025,651	*752,208*
Other interest receivable and similar income		3,379	*3,516*
Interest payable and similar expenses		(3,726)	–
Profit Before Taxation	7	1,025,304	*755,724*
Tax on profit	8	(206,432)	*(158,309)*
Profit for the Financial Year and Total Comprehensive Income		818,872	*597,415*
Retained Losses at the Start of the Year		(1,129,946)	*(1,727,361)*
Retained Losses at the End of the Year		(311,074)	*(1,129,946)*

All the activities of the company are from continuing operations.

The company has no other recognised items of income and expenses other than the results for the year as set out above.

The notes on pages 7 to 15 form part of these financial statements.

Belrun Limited

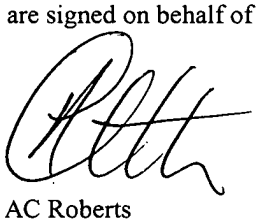
Statement of Financial Position

As at 31 December 2016

	Note	2016 £	2016 £	2015 £	2015 £
Fixed Assets					
Tangible assets	**9**		269,424		*466,168*
Current Assets					
Debtors	**10**	310,686		*228,015*	
Cash at bank and in hand		390,635		*1,699,874*	
		701,321		*1,927,889*	
Creditors: amounts falling due within one year	**11**	(1,281,719)		*(3,523,903)*	
Net Current Liabilities			(580,398)		*(1,596,014)*
Total Assets Less Current Liabilities			(310,974)		*(1,129,846)*
Net Liabilities			(310,974)		*(1,129,846)*
Capital and Reserves					
Called up share capital	**13**		100		*100*
Profit and loss account			(311,074)		*(1,129,946)*
Shareholders' Defecit			(310,974)		*(1,129,846)*

These financial statements have been prepared 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 12 September 2017, and are signed on behalf of the board by:



Mr AC Roberts
Director

Company registration number: 02132321

The notes on pages 7 to 15 form part of these financial statements.

1. General information

The company is a private company limited by shares, registered in England & Wales. The address of the registered office is 4th Floor, 239 Kensington High Street, London, W8 6SA.

2. Statement of compliance

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost convention, modified to include certain financial instruments at fair value. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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

First time adoption of FRS 102

These financial statements are the first financial statements the Company has prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) as applied to smaller entities by the adoption of Section 1A of FRS 102. The financial statements of the Company for the year ended 31 December 2015 were prepared in accordance with Financial Reporting Standard for Smaller Entities (effective January 2015)(FRSSE).

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from or the FRSSE. Consequently, the directors have amended certain accounting policies to comply with FRS 102. The directors have also taken advantage of certain exemptions from the requirements of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'.

There has been no material effect as a result of the transition to FRS 102 on; (i) equity at the date of transition to FRS 102; (ii) equity at the end of the comparative period; and (iii) profit or loss for the comparative period reported under previous UK GAAP.

Going concern

The directors have disclosed their conclusion of the going concern in the Directors' Report on page 1. No material uncertainties that may cast significant doubt about the ability of the company to continue as a going concern have been identified by the directors.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 January 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 17.

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

Critical Accounting Estimates and Areas of Judgement

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.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgement

In categorising leases as finance leases or operating leases, management has made judgements as to whether significant risks and rewards of ownership have transferred to the Company as lessee.

Revenue recognition

Turnover represents rental income receivable by the company of services provided, excluding value added tax, which fall within the company's ordinary activities.

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.

Taxation

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.

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 that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements. Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

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

Operating leases

All leases are regarded as operating leases and the payments made under them are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

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:

Computer Equipment	-	33% straight line
Furniture and Equipment	-	20% straight line

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

Financial instruments

The company has elected to apply the provisions of Section 11 "Basic Financial Instruments" and Section 12 "Other Financial Instrument Issues" of FRS 102 of Section 1A to all of its financial instruments.

Financial assets and financial liabilities are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial Assets

Financial assets are classified into specific categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Basic financial assets
Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at market rate of interest. Other financial assets classified as fair value through profit or loss are measured at fair value.

Financial Liabilities and Equity Instruments

Financial instruments are classified as liabilities and equity instruments according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Trade creditors and accruals
Trade creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Where the arrangement with a trade creditor constitutes a financing transaction, the creditor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar instrument.

Equity instruments
Financial instruments classified as equity instruments are recorded at the fair value of the cash or other resources received or receivable, net of direct costs of issuing the equity instruments.

Derecognition of financial assets and liabilities
A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Defined contribution plans

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions are charged to the Statement of Comprehensive Income as they become payable in accordance with the rules of the scheme.

4. Turnover

An analysis of the Company's turnover by class of business is as follows:

	2016	2015
	£	£
Rental income for apartments	3,003,634	*2,997,792*
Other incidental revenue from apartment letting	73,476	*107,359*
	3,077,110	*3,105,151*

The turnover was derived from the company's principal activity which was carried out wholly in the UK.

5. Auditor's remuneration

	2016	2015
	£	£
Fees payable for the audit of the financial statements	4,500	*4,500*

6. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to 13 (2015: 15).

7. Profit before taxation

Profit before taxation is stated after charging:

	2016	2015
	£	£
Depreciation of tangible assets	213,209	*311,385*
Loss on disposal of tangible assets	65,865	–
Operating lease rentals	392,000	*392,000*

8. Tax on profit

Major components of tax expense

	2016	2015
	£	£
Current tax:		
UK current tax expense	219,709	*148,864*
Deferred tax:		
Origination and reversal of timing differences	(13,277)	*9,445*
Tax on profit	206,432	*158,309*

9. Tangible assets

	Computer Equipment £	Furniture and Equipment £	**Total £**
Cost			
At 1 January 2016	5,409	2,217,891	2,223,300
Additions	–	82,330	82,330
Disposals	–	(188,187)	(188,187)
At 31 December 2016	5,409	2,112,034	2,117,443
Depreciation			
At 1 January 2016	5,227	1,751,905	1,757,132
Charge for the year	182	213,027	213,209
Disposals	–	(122,322)	(122,322)
At 31 December 2016	5,409	1,842,610	1,848,019
Carrying amount			
At 31 December 2016	–	269,424	269,424
At 31 December 2015	182	465,986	*466,168*

10. Debtors

	2016 £	2015 £
Trade debtors	193,427	*123,978*
Other debtors	117,259	*104,037*
	310,686	*228,015*

The debtors above include the following amounts falling due after more than one year:

	2016 £	2015 £
Deferred taxation (note 12)	55,588	*42,309*

With exception of deferred taxation, all amounts is recoverable within one year.

11. Creditors: amounts falling due within one year

	2016	2015
	£	£
Trade creditors	48,495	*81,605*
Amounts owed to parent and related party undertakings	531,226	*3,117,361*
Corporation tax	371,640	*178,268*
Social security and other taxes	77,632	*51,648*
Other creditors	252,726	*95,021*
	1,281,719	*3,523,903*

12. Deferred tax

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

	2016	2015
	£	£
Included in debtors (note 10)	55,588	*42,309*

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

	2016	2015
	£	£
Accelerated capital allowances	55,588	*42,309*

Deferred taxation provided for in the financial statements is set out as above. The amount provided at the balance sheet date is calculated using a tax rate of 18.00% (2015: 18.00%).

13. Called up share capital

Authorised share capital

	2016		2015	
	No.	£	No.	£
Ordinary shares of £1 each	100	100	*100*	*100*

13. Called up share capital *(continued)*

Issued, called up and fully paid

	2016		2015	
	No.	£	No.	£
Ordinary shares of £1 each	100	100	*100*	*100*

All shares rank pari passu for voting purposes. Each share ranks equally for any dividend declared, and distribution made in dividing or winding up, and are not redeemable.

14. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2016	2015
	£	£
Not later than 1 year	350,000	*350,000*
Later than 5 years	–	*42,000*
	350,000	*392,000*

15. Related party transactions

The company has relied upon the exemption provided by Section 33 of FRS 102 Related Party Disclosure from the disclosure of transactions with companies where the voting rights are wholly controlled within the group.

The following were related party transactions during the year as their directors are common with Belrun Limited:

Services recharged to related parties:	**2016**	2015
Other related party undertakings	**£**	£
Total	–	600

Costs recharged from related parties:	**2016**	2015
	£	£
Other related party undertakings		
Total	236,683	265,989

As at 31 December 2016, the amounts due to / (from) Belrun Limited are listed below:

	2016	2015
	£	£
Total payable within one year	(1,226)	(8,162)

16. Control

The largest and smallest group for which group accounts are prepared, that include Belrun Limited, is headed by Amerland Inc.

Amerland Inc, a company registered in the Republic of Panama is the immediate parent company of Belrun Limited.

Rizona (Hong Kong) Limited, a company registered in Hong Kong, is the ultimate parent and controlling party of Belrun Limited.

17. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 January 2015.

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