

Concierge Holding Company Limited

Registered number: 09709521

Directors' report and financial statements

For the period ended 31 December 2016

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Concierge Holding Company Limited

COMPANY INFORMATION

Directors	D Amsellem T M L Viort E Baudart S A J Daines N D J Guernier
Registered number	09709521
Registered office	88 Wood Street London EC2V 74J
Independent auditor	Mazars LLP Chartered Accountants & Statutory Auditor Times House Throwley Way Sutton Surrey SM1 4JQ

Concierge Holding Company Limited

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Concierge Holding Company Limited

**DIRECTORS' REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2016**

The directors present their report and the financial statements for the period ended 31 December 2016.

Principal activity

The principal activity of the company was that of a holding company.

The company was incorporated on 29 July 2015.

Results and dividends

The loss for the period, after taxation, amounted to \$560,522.

Directors

The directors who served during the period were:

D Amsellem (appointed 29 July 2015)
T M L Viort (appointed 15 November 2016)
E Baudart (appointed 15 November 2016)
S A J Daines (appointed 15 November 2016)
N D J Guernier (appointed 15 November 2016)
M J Potter (resigned 15 November 2016)
J J Sherwood Jnr. (resigned 15 November 2016)
G Lassalle (resigned 7 June 2016)
L M Jenkinson (resigned 15 November 2016)
P Carle (resigned 15 November 2016)
H Dassault Finance S.A.S. (resigned 15 November 2016)

Concierge Holding Company Limited

DIRECTORS' REPORT (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2016

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 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'. 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 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 for the company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

Provision of information to auditor

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Post balance sheet events

On 4 April 2017 the the company issued 2,477,308 C ordinary shares at \$4.44 each.

On 13 April 2017 the company issued further 2,515,385 A ordinary shares at \$4.44 each and 879,750 C ordinary shares at \$4.44 each.

The issue of the above shares did not have any financial impact on the reported balances.

Concierge Holding Company Limited

**DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2016**

Auditor

The auditor, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small Companies Note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

D Amsellem
Director

Date:

31/5/2017



Concierge Holding Company Limited

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CONCIERGE HOLDING COMPANY LIMITED

We have audited the financial statements of Concierge Holding Company Limited for the period ended 31 December 2016 which comprise the statement of comprehensive income, the statement of financial position, the 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".

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 2, 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.

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 www.frc.org.uk/auditscopeukprivate.

Opinion on the financial statements

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 loss for the period 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.

Opinion on the 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.

Concierge Holding Company Limited

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CONCIERGE HOLDING COMPANY LIMITED

Matters on which we are required to report by exception

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
- the directors were not entitled to take advantage of the small companies' exemption in preparing the Directors' Report and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

Elisabeth Maxwell

Elisabeth Maxwell (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

Times House
Throwley Way
Sutton
Surrey
SM1 4JQ

Date: 31st May 2017

Concierge Holding Company Limited

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 DECEMBER 2016**

	Note	Period ended 31 December 2016 \$
Turnover	2,3,4	1,970,577
Gross profit		<u>1,970,577</u>
Administrative expenses		(2,474,346)
Operating loss		<u>(503,769)</u>
Interest payable and expenses	7	(56,753)
Loss before tax		<u>(560,522)</u>
Tax on loss		-
Loss for the period		<u><u>(560,522)</u></u>
Other comprehensive income		-
Total comprehensive loss for the period		<u><u>(560,522)</u></u>

There were no recognised gains and losses for the period ended 31 December 2016 other than those included in the statement of comprehensive income.

The notes on pages 9 to 21 form part of these financial statements.

Concierge Holding Company Limited
REGISTERED NUMBER: 09709521

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016

	Note	2016 \$
Fixed assets		
Investments	8	129,864,748
		<u>129,864,748</u>
Current assets		
Debtors: amounts falling due within one year	9	10,930,086
Cash at bank and in hand	10	1,474,513
		<u>12,404,599</u>
Creditors: amounts falling due within one year	11	<u>(12,214,264)</u>
Net current liabilities		<u>190,335</u>
Total assets less current liabilities		<u>130,055,083</u>
Creditors: amounts falling due after more than one year	12	<u>(8,333,626)</u>
Net assets		<u><u>121,721,457</u></u>
Capital and reserves		
Called up share capital	14	122,281,979
Profit and loss account	15	<u>(560,522)</u>
		<u><u>121,721,457</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

D Amsellem
Director



Date: 31/5/2017

The notes on pages 9 to 21 form part of these financial statements.

Concierge Holding Company Limited

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2016**

	Called up share capital	Profit and loss account	Total equity
	\$	\$	\$
At 29 July 2015	-	-	-
Comprehensive income for the period			
Loss for the period	-	(560,522)	(560,522)
Other comprehensive income for the period	-	-	-
Total comprehensive income for the period	-	(560,522)	(560,522)
Shares issued during the period	122,281,979	-	122,281,979
Total transactions with owners	122,281,979	-	122,281,979
At 31 December 2016	122,281,979	(560,522)	121,721,457

The notes on pages 9 to 21 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2016**

1. General information

Concierge Holding Company Limited is a limited company, incorporated on 29 July 2015, in England, United Kingdom. The address of its registered office is 88 Wood Street, London, EC2V 7AJ.

The principal activity of the company is that of a holding company.

The financial statements have been presented in USD as this is the currency of the primary economic environment in which the company operates and is rounded to the nearest dollar.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The period covered by the financial statements is 29 July 2015 to 31 December 2016.

The company is exempt from the requirement to prepare consolidated accounts under Section 400 of the Companies Act 2006 by virtue of its ultimate parent is Accor SA, which is a public filer with the France Securities and Exchange Commission. These financial statements therefore present information about the company as an individual undertaking rather than as a group.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

In these financial statements the company has adopted FRS 102 for the first time. As this is a first set of accounts, the company has made no measurement and recognition adjustment.

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Accor SA as at 31 December 2016 and these financial statements may be obtained from 82 rue Henri Farman 92130 Issy-les-Moulineaux, France.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2016**

2. Accounting policies (continued)

2.3 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Rendering of services

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each statement of financial position date. Gains and losses on remeasurement are recognised in profit or loss for the period.

2.5 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2016**

2. Accounting policies (continued)

2.6 Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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 statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2016**

2. Accounting policies (continued)

2.7 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is USD.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the statement of comprehensive income within 'other operating income'.

2.8 Finance costs

Finance costs are charged to the statement of comprehensive income 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2016**

2. Accounting policies (continued)

2.9 Share based payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to the statement of comprehensive income over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each statement of financial position date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the company keeping the scheme open or the employee maintaining any contributions required by the scheme).

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to statement of comprehensive income over the remaining vesting period.

Where equity instruments are granted to persons other than employees, the statement of comprehensive income is charged with fair value of goods and services received.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

Critical judgements in applying the company's accounting policies

The critical judgements that the directors have made in the process of applying the company's accounting policies that have the most significant effect on the amounts recognised in the financial statements are discussed below.

Assessing indicators of impairment

In assessing whether there have been any indicators of impairment assets, the directors have considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience of recoverability. There have been no indicators of impairments identified during the current financial year.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty, that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Recoverability of debtors

The company establishes a provision for debtors that are estimated not to be recoverable. When assessing recoverability the directors consider factors such as the aging of debtors, past experience of recoverability, and the credit profile of individual or groups of customers.

Concierge Holding Company Limited

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2016**

4. Turnover

Analysis of turnover by country of destination:

	Period ended 31 December 2016 \$
Rest of Europe	1,057,389
Rest of the world	913,188
	<u>1,970,577</u>

5. Operating loss

The operating loss is stated after charging:

	Period ended 31 December 2016 \$
Gain on exchange differences	(49,534)

During the period, no director received any emoluments.

6. Auditor's remuneration

	Period ended 31 December 2016 \$
Fees payable to the company's auditor and its associates for the audit of the company's annual financial statements	10,000
Fees payable to the company's auditor and its associates in respect of:	
Taxation compliance services	2,000
All other services	7,500

Concierge Holding Company Limited

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2016**

7. Interest payable and similar charges

	Period ended 31 December 2016 \$
Loans from group undertakings	56,753
	<u>56,753</u>

8. Fixed asset investments

	Investments in subsidiary companies \$
Cost or valuation	
At 29 July 2015	-
Additions	129,864,748
At 31 December 2016	<u>129,864,748</u>
 Net book value	
At 31 December 2016	<u>129,864,748</u>

Concierge Holding Company Limited

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2016**

8. Fixed asset investments (continued)**Subsidiary undertakings**

The following were subsidiary undertakings of the company:

Name	Country of incorporation	Class of shares	Holding	Principal activity
Service Concierge SAS	France	ordinary	87 %	Services concierge
Lesconcierges Inc.	US	ordinary	100 %	Services concierge
Check Theatre SARL*	France	ordinary	100 %	Services concierge
John Paul Ltd*	UK	ordinary	100 %	Services concierge
John Paul Service Concierge Ltd*	Hong Kong	ordinary	100 %	Services concierge
John Paul Service Concierge Ltd*	Shanghai	ordinary	100 %	Services concierge
Service Concierge*	Germany	ordinary	50 %	Services concierge
2 Places at 1 Time Inc.^	US	ordinary	100 %	Services concierge
Lesconcierges (Europe) Ltd^	UK	ordinary	100 %	Services concierge
Lesconcierges Australia Pty Ltd^	Australia	ordinary	100 %	Services concierge
Lesconcierges (Shanghai) Co. Ltd^	Shanghai	ordinary	100 %	Services concierge
Lesconcierges (Singapore) Pte. Ltd^	Singapore	ordinary	100 %	Services concierge
Service Concierge Canada Ltd^	Canada	ordinary	100 %	Services concierge

* indirect subsidiaries held via Concierge SAS.

^ indirect subsidiaries held via Concierge Inc.

Concierge Holding Company Limited

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2016**

9. Debtors

	2016
	\$
Amounts owed by group undertakings	10,894,168
Other debtors	33,474
Prepayments and accrued income	2,444
	<u>10,930,086</u>

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

10. Cash and cash equivalents

	2016
	\$
Cash at bank and in hand	1,474,513
	<u>1,474,513</u>

11. Creditors: Amounts falling due within one year

	2016
	\$
Trade creditors	6,527
Amounts owed to group undertakings	12,016,785
Accruals and deferred income	190,952
	<u>12,214,264</u>

The amounts owed to group undertakings attracted an interest at a rate of US LIBOR plus 0.7%.

12. Creditors: Amounts falling due after more than one year

	2016
	\$
Amounts owed to group undertakings	8,333,626
	<u>8,333,626</u>

The amounts owed to group undertakings attracted an interest at a rate of US LIBOR plus 0.7% and repayable on 14 December 2018.

Concierge Holding Company Limited

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2016**

13. Financial instruments

	2016
	\$
Financial assets	
Financial assets that are debt instruments measured at amortised cost	12,402,155
	<u>12,402,155</u>
Financial liabilities	
Financial liabilities measured at amortised cost	(20,547,890)
	<u>(20,547,890)</u>

Financial assets measured at fair value through profit or loss comprise debtors, cash and cash equivalents and prepayments.

Financial liabilities measured at amortised cost comprise creditors falling due within one year.

14. Share capital

	2016
	\$
Shares classified as equity	
Allotted, called up and fully paid	
17,474,000 A ordinary shares shares of \$4.25 each	74,264,500
5,081,841 B1 ordinary shares shares of \$4.25 each	21,597,824
284 B2 ordinary shares shares of \$4.25 each	1,207
1,350,000 B3 ordinary shares shares of \$4.25 each	5,737,500
616,667 B4 ordinary shares shares of \$4.25 each	2,620,835
3,706,330 B5 ordinary shares shares of \$4.25 each	15,751,903
2,308,210 C ordinary shares shares of \$1 each	2,308,210
	<u>122,281,979</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2016**

14. Share capital (continued)

On 29 July 2015 the company issued 2 ordinary shares at par.

On 14 December 2015 the 2 ordinary shares were cancelled and 15,803,500 A ordinary shares at \$4.25 each and 4,947,841 B1 ordinary shares at \$4.25 each were issued.

On the same day further 284 B2 ordinary shares at \$4.25 each, 1,350,000 B3 ordinary shares at \$4.25 each, 616,667 B4 ordinary shares at \$4.25 each and 3,706,330 B5 ordinary shares at \$4.25 each were issued.

On 12 September 2016 the company issued further 1,670,500 A ordinary shares at \$4.25 each, 134,000 B1 ordinary shares at \$4.25 each.

On 14 September 2016 the company issued further 1,577,696 C ordinary shares at par.

On 27 September 2016 further 360,158 C ordinary shares were issued at par.

Between 1 September and 31 October 2016 the company issued 42,622 C ordinary shares at par.

On 15 November 2016 327,734 C ordinary shares were issued at par.

Rights attached to each class of shares

A ordinary shares are entitled to full voting rights, rights of appointment of three directors exercised in the discretion of a majority of the holders and joint rights of appointment for one director exercised with the B ordinary shares, the shares are not redeemable or liable to be redeemed at the option of the shareholder.

B1 ordinary shares are entitled to full voting rights, rights of appointment of one director exercised in the discretion of a majority of the holders and joint rights of appointment for one director exercised with the A ordinary shares, rights to dividends and return of capital in a distribution of capital arising from a winding up of the company subject to preferential rights of other classes of B ordinary shares, the shares are not redeemable or liable to be redeemed at the option of the shareholder.

B2 ordinary shares are entitled to full voting rights, rights of appointment of one director exercised in the discretion of a majority of the holders of B ordinary shares other than B1 ordinary shares, preferential rights on dividends over B1 ordinary shareholders on payment of a B dividend, preferential rights in a distribution of capital arising from a winding up of the company over B1 ordinary shareholders, the shares are not redeemable or liable to be redeemed at the option of the shareholder.

B3 ordinary shares are entitled to full voting rights, rights of appointment of one director exercised in the discretion of a majority of the holders of B ordinary shares other than B1 ordinary shares, preferential rights on dividends over B1 and B2 ordinary shareholders on payment of a B dividend, preferential rights in a distribution of capital arising from a winding up of the company over B1 and B2 ordinary shareholders, the shares are not redeemable or liable to be redeemed at the option of the shareholder, drag along and tag along rights with the other shareholders.

~~B4 ordinary shares are entitled to full voting rights, rights of appointment of one director exercised in the discretion of a majority of the holders of B ordinary shares other than B1 ordinary shares, preferential rights on dividends over B1, B2 and B3 ordinary shareholders on payment of a B dividend, preferential rights in a distribution of capital arising from a winding up of the company over B1, B2 and B3 ordinary shareholders, the shares are not redeemable or liable to be redeemed at the option of the shareholder, drag along and tag along rights with the other shareholders.~~

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2016**

14. Share capital (continued)

B5 ordinary shares are entitled to full voting rights, rights of appointment of one director exercised in the discretion of a majority of the holders of B ordinary shares other than B1 ordinary shares, preferential rights on dividends over B1, B2, B3 and B4 ordinary shareholders on payment of a B dividend, fixed annual dividend right which can be settled in cash or in B1 ordinary shares, preferential rights in a distribution of capital arising from a winding up of the company over B1, B2, B3 and B4 ordinary shareholders, the shares are not redeemable or liable to be redeemed at the option of the shareholder.

C ordinary shares are entitled to no voting rights, no rights of appointment of directors; rights to dividends and return of capital in a distribution of capital arising from a winding up of the company subject to preferential rights of other classes of shares; the shares are not redeemable or liable to be redeemed at the option of the shareholder; drag along and tag along rights with the other shareholders.

15. Reserves

Profit and loss account

This represents the cumulative profits and losses.

16. Share based payments

On 14 November 2015, 937,808 share options were granted with a weighted average price of \$1 and exercised between 29 July 2016 and 14 November 2016.

On 14 September 2016, 1,370,402 share options were granted with a weighted average price of \$1 and exercised on 14 November 2016.

No employee services were performed in the period and therefore the exercise price was the same as the grant price.

Included in the above were 200,000 share options granted on 14 November 2015 and 415,134 share options granted on 14 September 2016. These were granted to a director, L M Jenkinson who resigned on 15 November 2016.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2016**

17. Related party transactions

The company is a subsidiary of Accor SA which holds 78% of its share capital and as such has taken advantage of the exemption permitted by Section 33 'Related party disclosures' not to provide disclosures of transactions entered into with other wholly owned members of the group. The company and its subsidiary undertakings are included within the consolidated financial statements of Accor SA and these financial statements may be obtained from 82 rue Henri Farman 92130 Issy-les-Moulineaux, France.

The following amounts were owed by/(to) group undertakings at 31 December 2016:

	2016 \$
Lesconcierges (Europe) Ltd	1,117,635
Lesconcierges Inc.	9,589,728
Accor SA	(17,605,858)
Lesconcierges Australia Pty Ltd	186,805
Service Concierge SAS	(2,744,553)
	<u>(9,456,243)</u>

18. Post balance sheet events

On 4 April 2017 the the company issued 2,477,308 C ordinary shares at \$4.44 each.

On 13 April 2017 the company issued further 2,515,385 A ordinary shares at \$4.44 each and 879,750 C ordinary shares at \$4.44 each.

The issue of the above shares did not have any financial impact on the reported balances.

19. Controlling party

At the year end, the immediate parent undertaking was Accor SA, a company registered in France, by virtue of its shareholding.