Al Firdous Holdings (P.J.S.C.)

FINANCIAL STATEMENTS

31 MARCH 2013

ERNST & YOUNG

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INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF AL FIRDOUS HOLDINGS (P.J.S.C.)

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Al Firdous Holdings (P.J.S.C.) (the "Company"), which comprise the statement of financial position as at 31 March 2013 and the statement of comprehensive income, statement of changes in equity and statement of 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 and fair presentation of these financial statements in accordance with International Financial Reporting Standards and the applicable provisions of the articles of association of the Company and of the UAE Commercial Companies Law of 1984 (as amended), 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.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with International Standards on Auditing. Because of the matters described in the Basis for Disclaimer of Opinion paragraphs below, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

a) Receivable on sale of the investment portfolio

As disclosed in note 11 to the financial statements, an amount of AED 326,789,701 (2012: AED 326,789,701) is due from Islamic Arab Insurance Co, Labuan, Malaysia, being the consideration for the sale of the Company's subsidiary, Al Firdous Group Co Ltd for Hotels, and its Islamic investing and financing assets, together referred to as the "investment portfolio". This amount was to have been settled by 31 March 2011 but is still outstanding as of the date of these financial statements. Based on negotiations being held with Islamic Arab Insurance Co, Labuan, no provision has been made against this receivable as the Board of Directors considers the amount will be recovered in full on the eventual disposal of the assets by Islamic Arab Insurance Co, Labuan. However, we have not been provided with sufficient and appropriate audit evidence to support this conclusion. Accordingly, we were unable to determine the extent of provision, if any, that may be required against this receivable. Our report on the financial statements for the year ended 31 March 2012 was qualified in respect of this matter.

ERNST & YOUNG

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF AL FIRDOUS HOLDINGS (P.J.S.C.) (continued)

Basis for Disclaimer of Opinion (continued)

b) Advance against the purchase of property

As disclosed in notes 10 and 17 to the financial statements, an amount of AED 289,939,984 (2012: AED 289,939,984) was advanced through a related party for the purchase of land in Dubai. The related party has undertaken to secure the amount of AED 289,939,984 (2012: AED 289,939,984) by the assignment of properties to the Company with a fair value not less than the same amount. However, to date, no assignment of properties has taken place and we have not been provided with sufficient and appropriate audit evidence to support the recoverability of this amount. Accordingly, we were unable to determine whether any provision may be required against the advance for purchase of property. Our report on the financial statements for the year ended 31 March 2012 was also qualified in respect of this matter.

Disclaimer of Opinion

Because of the significance of the matters described in the Basis for Disclaimer of Opinion paragraphs above, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the financial statements of the Company.

Ernst & Young
Signed by
Ashraf Abu Sharkh
Partner
Registration No. 690
26 June 2013

Dubai, United Arab Emirates

STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 March 2013

	Notes	*2013 AED*	*2012 AED*
Revenue	5	**13,184,180**	12,042,900
Direct costs	6	**(6,395,316)**	(5,652,639)
GROSS PROFIT		**6,788,864**	6,390,261
Income from deposits		**71,328**	83,744
Other income		**54,789**	422,856
Administrative expenses	7	**(2,688,986)**	(2,108,020)
Share of revenue to property owner	8&17	**(3,439,338)**	(2,255,782)
PROFIT FOR THE YEAR		**786,657**	2,533,059
Other comprehensive income for the year		**-**	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**786,657**	2,533,059
Basic and diluted earnings per share	4	**0.00079**	0.00376

STATEMENT OF FINANCIAL POSITION
At 31 March 2013

	Notes	2013 AED	2012 AED
ASSETS			
Non-current assets			
Property, plant and equipment	9	613,657	623,254
Current assets			
Inventories		76,591	-
Accounts receivable and prepayments	10	297,234,882	297,048,269
Receivable on sale of the investment portfolio	11	326,789,701	326,789,701
Bank balances and cash	12	8,921,101	9,843,173
		633,022,275	633,681,143
TOTAL ASSETS		633,635,932	634,304,397
EQUITY AND LIABILITIES			
Equity			
Share capital	13	600,000,000	600,000,000
Additional paid in capital		894,645	894,645
Statutory reserve	14	4,034,023	3,955,357
Retained earnings		24,422,083	24,024,092
Total equity		629,350,751	628,874,094
Non-current liabilities			
Employees' end of service benefits	15	134,433	87,334
Current liabilities			
Accounts payable and accruals	16	4,150,748	5,342,969
Total liabilities		4,285,181	5,430,303
TOTAL EQUITY AND LIABILITIES		633,635,932	634,304,397

Shk. Khaled Bin Zayed Al Nahyan
Chairman
26 June 2013

The attached notes 1 to 21 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
Year ended 31 March 2013

	Share capital AED	*Additional paid in capital AED*	*Statutory reserve AED*	*Retained earnings AED*	*Total equity AED*
Balance at 31 March 2011	600,000,000	894,645	3,702,051	22,024,339	626,621,035
Total comprehensive income for the year	-	-	-	2,533,059	2,533,059
Directors' fees (Note 17)	-	-	-	(280,000)	(280,000)
Transfer to statutory reserve	-	-	253,306	(253,306)	-
Balance at 31 March 2012	600,000,000	894,645	3,955,357	24,024,092	628,874,094
Total comprehensive income for the year	-	-	-	786,657	786,657
Directors' fees (Note 17)	-	-	-	(310,000)	(310,000)
Transfer to statutory reserve	-	-	78,666	(78,666)	-
Balance at 31 March 2013	**600,000,000**	**894,645**	**4,034,023**	**24,422,083**	**629,350,751**

The attached notes 1 to 21 form part of these financial statements.

STATEMENT OF CASH FLOWS

Year ended 31 March 2013

	Notes	2013 AED	2012 AED
OPERATING ACTIVITIES			
Profit for the year		786,657	2,533,059
Non-cash adjustments to reconcile profit to net cash flows:			
Depreciation	9	288,408	151,086
Provision for employees' end of service benefits	15	85,364	66,704
Income from deposits		(71,328)	(83,744)
		1,089,101	2,667,105
Working capital changes:			
Inventories		(76,591)	-
Accounts receivable and prepayments		(186,613)	(230,459)
Accounts payable and accruals		(1,502,221)	2,512,660
		(676,324)	4,949,306
Employees' end of service benefits paid	15	(38,265)	(9,080)
Net cash (used in) from operating activities		(714,589)	4,940,226
INVESTING ACTIVITIES			
Purchase of property, plant and equipment	9	(278,811)	(557,302)
Income from deposits		71,328	83,744
Net cash used in investing activities		(207,483)	(473,558)
(DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS		(922,072)	4,466,668
Cash and cash equivalents at the beginning of the year		9,843,173	5,376,505
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	12	8,921,101	9,843,173

The attached notes 1 to 21 form part of these financial statements.

1 ACTIVITIES

Al Firdous Holdings (P.J.S.C.) [formerly Manasek (P.J.S.C.)] (the"Company") is a public joint stock company registered on 1 July 1998 in the Emirate of Dubai, United Arab Emirates, according to Ministerial Decree Number 106 for the year 1998, and which commenced its operations on 22 October 1998. The address of the Company's registered office is P.O. Box 25233, Dubai, United Arab Emirates. On 13 September 2007, the Company secured approval from the Ministry of Economy to change its name from "Manasek (P.J.S.C.)" to "Al Firdous Holdings (P.J.S.C.)."

Up to 31 December 2008, the Company operated as a Group consisting of the Company (the "Parent Company") and Al Firdous Group Co Ltd for Hotels, a company established in the Kingdom of Saudi Arabia and involved in managing and operating hotels and restaurants in the Kingdom of Saudi Arabia and organising Hajj and Umra trips.

With effect from 1 January 2009, the Company sold its 100% owned subsidiary (Al Firdous Group Co Ltd for Hotels) and its Islamic financing and investing assets with Al Massa Co. for Urban Development Jeddah, Kingdom of Saudi Arabia (together referred as the "investment portfolio") for a consideration of AED 326,789,701 (Note 11).

With effect from 1 July 2010, the Company signed a memorandum of understanding with Gulf Oasis Reality, a related party, to manage, operate and maintain the Oasis Court Hotel Apartments located in Bur Dubai, Emirate of Dubai. According to the renewed memorandum of understanding dated 1 January 2012, the owner of Oasis Court Hotel Apartments is entitled to a share equivalent to 30% of the total revenue (Note 8).

2 FUNDAMENTAL ACCOUNTING CONCEPT

Although the Company had limited operations during the year, the financial statements have been prepared on a going concern basis as the Directors consider that, going forward, the Company will be able to generate more profitable business as it is in the process of developing and implementing new investment plans.

3 SIGNIFICANT ACCOUNTING POLICIES

3.1 BASIS OF PREPARATION

These financial statements are prepared under the historical cost convention.

The financial statements have been presented in United Arab Emirates Dirhams (AED), which is the functional and presentation currency of the Company.

Statement of compliance
The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and applicable requirements of United Arab Emirates laws.

3.2 CHANGES IN ACCOUNTING POLICIES

The accounting policies adopted are consistent with those of the previous financial year, except for the following amendments to IFRS:

- IAS 12 Income Taxes (Amendment) – Deferred Taxes: Recovery of Underlying Assets
- IFRS 1 First-Time Adoption of International Financial Reporting Standards (Amendment) – Severe Hyperinflation and Removal of Fixed Dates for First-Time Adopters
- IFRS 7 Financial Instruments : Disclosures – Enhanced Derecognition Disclosure Requirements

The adoption of the standards or interpretations is described below:

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 CHANGES IN ACCOUNTING POLICIES (continued)

IAS 12 Income Taxes (Amendment) – Deferred Taxes: Recovery of Underlying Assets
The amendment clarified the determination of deferred tax on investment property measured at fair value and introduces a rebuttable presumption that deferred tax on investment property measured using the fair value model in IAS 40 should be determined on the basis that its carrying amount will be recovered through sale. It includes the requirement that deferred tax on non-depreciable assets that are measured using the revaluation model in IAS 16 should always be measured on a sale basis. The amendment is effective for annual periods beginning on or after 1 January 2012 and has no effect on the Company's financial position, performance or its disclosures.

IFRS 1 First-Time Adoption of International Financial Reporting Standards (Amendment) – Severe Hyperinflation and Removal of Fixed Dates for First-Time Adopters
The IASB provided guidance on how an entity should resume presenting IFRS financial statements when its functional currency ceases to be subject to hyperinflation. The amendment is effective for annual periods beginning on or after 1 July 2011. The amendment had no impact on the Company.

IFRS 7 Financial Instruments: Disclosures — Enhanced Derecognition Disclosure Requirements
The amendment requires additional disclosure about financial assets that have been transferred but not derecognised to enable the user of the Company's financial statements to understand the relationship with those assets that have not been derecognised and their associated liabilities. In addition, the amendment requires disclosures about the entity's continuing involvement in derecognised assets to enable the users to evaluate the nature of, and risks associated with, such involvement. The amendment is effective for annual periods beginning on or after 1 July 2011. The Company does not have any assets with these characteristics. Accordingly, there has been no effect on the presentation of the Company's financial statements.

Standards issued but not yet effective
The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

IAS 1 Presentation of Items of Other Comprehensive Income – Amendments to IAS 1
The amendments to IAS 1 change the grouping of items presented in other comprehensive income (OCI). Items that could be reclassified (or 'recycled') to profit or loss at a future point in time (for example, actuarial gains and losses on defined benefit plans and revaluation of land and buildings) would be presented separately from items that will never be reclassified (for example, net gain on hedge of net investment, exchange differences on translation of foreign operations, net movement on cash flow hedges and net loss or gain on available-for-sale financial assets). The amendment affects presentation only and has no impact on the Company's financial position or performance. The amendment becomes effective for annual periods beginning on or after 1 July 2012, and will therefore be applied in the Company's first annual financial statements after becoming effective.

IAS 19 Employee Benefits (Revised)
The IASB has issued numerous amendments to IAS 19. These range from fundamental changes such as removing the corridor mechanism and the concept of expected returns on plan assets to simple clarifications and re-wording. The amendment has no impact on the Company's financial position or performance. The amendment becomes effective for annual periods beginning on or after 1 January 2013.

IAS 28 Investments in Associates and Joint Ventures (as revised in 2011)
As a consequence of the new IFRS 11 Joint Arrangements, and IFRS 12 Disclosure of Interests in Other Entities, IAS 28 Investments in Associates, has been renamed as IAS 28 "Investments in Associates and Joint Ventures", and describes the application of the equity method to investments in joint ventures in addition to associates. The revised standard becomes effective for annual periods beginning on or after 1 January 2013.

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 CHANGES IN ACCOUNTING POLICIES (continued)

Standards issued but not yet effective (continued)

IAS 32 Offsetting Financial Assets and Financial Liabilities — Amendments to IAS 32
These amendments clarify the meaning of "currently has a legally enforceable right to set-off". The amendments also clarify the application of the IAS 32 offsetting criteria to settlement systems (such as central clearing house systems) which apply gross settlement mechanisms that are not simultaneous. These amendments are not expected to impact the Company's financial position or performance and become effective for annual periods beginning on or after 1 January 2014.

IFRS 1 Government Loans – Amendments to IFRS 1
These amendments require first-time adopters to apply the requirements of IAS 20 Accounting for Government Grants and Disclosure of Government Assistance, prospectively to government loans existing at the date of transition to IFRS. Entities may choose to apply the requirements of IFRS 9 (or IAS 39, as applicable) and IAS 20 to government loans retrospectively if the information needed to do so had been obtained at the time of initially accounting for that loan. The exception would give first-time adopters relief from retrospective measurement of government loans with a below-market rate of interest. The amendment is effective for annual periods on or after 1 January 2013. The amendment has no impact on the Company.

IFRS 7 Disclosures — Offsetting Financial Assets and Financial Liabilities — Amendments to IFRS 7
These amendments require an entity to disclose information about rights to set-off and related arrangements (e.g., collateral agreements). The disclosures would provide users with information that is useful in evaluating the effect of netting arrangements on an entity's financial position. The new disclosures are required for all recognised financial instruments that are set off in accordance with IAS 32 Financial Instruments: Presentation. The disclosures also apply to recognised financial instruments that are subject to an enforceable master netting arrangement or similar agreement, irrespective of whether they are set off in accordance with IAS 32. These amendments will not impact the Company's financial position or performance and become effective for annual periods beginning on or after 1 January 2013.

IFRS 10 Consolidated Financial Statements, IAS 27 Separate Financial Statements
IFRS 10 replaces the portion of IAS 27 Consolidated and Separate Financial Statements that addresses the accounting for consolidated financial statements. It also addresses the issues raised in SIC-12 Consolidation — Special Purpose Entities. IFRS 10 establishes a single control model that applies to all entities including special purpose entities. The changes introduced by IFRS 10 will require management to exercise significant judgement to determine which entities are controlled and therefore are required to be consolidated by a parent, compared with the requirements that were in IAS 27. IFRS 10 is not expected to have any impact on the Company. This standard becomes effective for annual periods beginning on or after 1 January 2013.

IFRS 11 Joint Arrangements
IFRS 11 replaces IAS 31 Interests in Joint Ventures and SIC-13 Jointly-controlled Entities — Non-monetary Contributions by Venturers. IFRS 11 removes the option to account for jointly controlled entities (JCEs) using proportionate consolidation. Instead, JCEs that meet the definition of a joint venture must be accounted for using the equity method.

This standard becomes effective for annual periods beginning on or after 1 January 2013, and is to be applied retrospectively for joint arrangements held at the date of initial application. IFRS 11 is not expected to have any impact on the Company's financial statements.

IFRS 12 Disclosure of Interests in Other Entities
IFRS 12 includes all the disclosures that were previously in IAS 27 related to consolidated financial statements, as well as all the disclosures that were previously included in IAS 31 and IAS 28. These disclosures relate to an entity's interests in subsidiaries, joint arrangements, associates and structured entities. A number of new disclosures are also required, but has no impact on the Company's financial position or performance. This standard becomes effective for annual periods beginning on or after 1 January 2013.

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 CHANGES IN ACCOUNTING POLICIES (continued)

Standards issued but not yet effective (continued)

IFRS 13 Fair Value Measurement
IFRS 13 establishes a single source of guidance under IFRS for all fair value measurements. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted. The Company is currently assessing the impact that this standard will have on the financial position and performance, but based on the preliminary analyses, no material impact is expected. This standard becomes effective for annual periods beginning on or after 1 January 2013.

IFRIC 20 Stripping Costs in the Production Phase of a Surface Mine
This interpretation applies to waste removal (stripping) costs incurred in surface mining activity, during the production phase of the mine. The interpretation addresses the accounting for the benefit from the stripping activity. The interpretation is effective for annual periods beginning on or after 1 January 2013. The new interpretation will not have an impact on the Company's financial statements.

Annual Improvements May 2012

These improvements will not have an impact on the Company, but include:

IFRS 1 First-time Adoption of International Financial Reporting Standards
This improvement clarifies that an entity that stopped applying IFRS in the past and chooses, or is required, to apply IFRS, has the option to re-apply IFRS 1. If IFRS 1 is not re-applied, an entity must retrospectively restate its financial statements as if it had never stopped applying IFRS.

IAS 1 Presentation of Financial Statements
This improvement clarifies the difference between voluntary additional comparative information and the minimum required comparative information. Generally, the minimum required comparative information is the previous period.

IAS 16 Property Plant and Equipment
This improvement clarifies that major spare parts and servicing equipment that meet the definition of property, plant and equipment are not inventory.

These improvements are effective for annual periods beginning on or after 1 January 2013.

3.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revenue recognition
Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in all of its revenue arrangements. The specific recognition criteria described below must also be met before revenue is recognised.

Revenues represent the invoiced value of services provided and food and beverage sold by the hotel apartments during the year.

Profit on deposits is recognised as the profit accrues.

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

3.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment
Property plant and equipment are stated at cost, less accumulated depreciation and any impairment in value.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Leasehold improvement	5 years
Furniture and fixtures	6 - 8 years
Machinery and equipment	5 - 8 years
Motor vehicles	5 years

Expenditure incurred to replace a component of an item of property, plant and equipment that is accounted for separately is capitalised and the carrying amount of the component that is replaced is written off. Other subsequent expenditure is capitalised only when it increases future economic benefits of the related item of property, plant and equipment. All other expenditure is recognised in the statement of comprehensive income as the expense is incurred.

Property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of property, plant and equipment may not be recoverable. Whenever the carrying amount of property, plant and equipment exceeds their recoverable amount, an impairment loss is recognised in the statement of comprehensive income. The recoverable amount is the higher of fair value less costs to sell property and equipment and the value in use. The fair value less costs to sell is the amount obtainable from the sale of property, plant and equipment in an arm's length transaction while value in use is the present value of estimated future cash flows expected to arise from the continuing use of property, plant and equipment and from its disposal at the end of its useful life.

Reversal of impairment losses recognised in the prior years is recorded when there is an indication that the impairment losses recognised for the property, plant and equipment no longer exist or have reduced.

Accounts receivable
Accounts receivable are stated at original invoice amount less a provision for any uncollectible amounts. An estimate for doubtful debts is made when the collection of the full amount is no longer probable. Bad debts are written off when there is no possibility of recovery.

Cash and cash equivalents
For the purpose of the statement of cash flows, cash and cash equivalents comprise cash on hand, bank balances and short term deposits with an original maturity of three months or less, net of outstanding bank overdrafts, if any.

Impairment and uncollectability of financial assets
The Company assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults. If such evidence exists, any impairment loss is recognised in the statement of comprehensive income. Impairment is determined as follows:

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

3.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment and uncollectability of financial assets (continued)

a) For assets carried at fair value, impairment is the difference between cost and fair value, less any impairment loss previously recognised in the consolidated income statement;
b) For assets carried at cost, impairment is the difference between the carrying value and the present value of future cash flows discounted at the current market rate of return for a similar financial asset;
c) For assets carried at amortised cost, impairment is the difference between the carrying amount and the present value of future cash flows discounted at the original effective interest rate.

Employees' end of service benefits
The Company provides end of service benefits to its employees. The entitlement to these benefits is based upon the employees' salary and length of service, subject to the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment.

Accounts payable and accruals
Liabilities are recognised for amounts to be paid in the future for goods or services received, whether or not billed by the supplier.

Provisions
Provisions are recognised when the Company has an obligation (legal or constructive) arising from a past event, and the costs to settle the obligation are both probable and able to be reliably measured.

Operating leases
Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. Operating lease payments are recognised as an expense in the statement of comprehensive income on a straight-line basis over the lease term.

Foreign currencies
Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the statement of financial position date. All differences are taken to the statement of comprehensive income.

4 BASIC AND DILUTED EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit for the year of AED 786,657 net of Directors' fees of AED 310,000 (31 March 2012: AED 2,533,059 net of Directors' fees of AED 280,000) by the weighted average number of shares outstanding of 600,000,000 shares (31 March 2012: 600,000,000 shares) of AED 1 each outstanding during the year.

The figures for basic and diluted earnings per share are the same as the Company has not issued any instruments which would have a dilutive impact on the earnings per share when exercised.

5 REVENUE

	2013 *AED*	*2012* *AED*
Hotel Services	**10,442,754**	9,753,914
Food and Beverages	**1,190,721**	658,973
Others	**1,550,705**	1,630,013
	13,184,180	12,042,900

6 DIRECT COSTS

	2013 *AED*	*2012* *AED*
Room operation cost	**2,886,267**	2,626,039
Salaries and benefits	**1,537,619**	1,333,279
Cost of food and beverages	**517,980**	487,032
Depreciation (Note 9)	**288,408**	138,784
Others	**1,165,042**	1,067,505
	6,395,316	5,652,639

7 ADMINISTRATIVE EXPENSES

	2013 *AED*	*2012* *AED*
Salaries and benefits	**2,226,960**	1,686,280
Governmental expenses	**89,802**	57,417
Professional fees	**127,000**	112,500
Marketing expenses	**50,635**	54,796
Annual general meeting expenses	**130,811**	130,813
Depreciation (Note 9)	**-**	12,302
Others	**63,778**	53,912
	2,688,986	2,108,020

8 SHARE OF REVENUE TO PROPERTY OWNER

This represents 30% of total room revenues payable to the owner of Gulf Oasis Reality (2012: 20-30% of total room revenues).

9 PROPERTY, PLANT AND EQUIPMENT

	Leasehold improvement AED	*Furniture and fixtures AED*	*Machinery and equipment AED*	*Motor vehicles AED*	*Total AED*
Cost:					
At 1 April 2012	26,800	644,876	331,614	78,652	1,081,942
Additions	-	57,957	220,854	-	278,811
At 31 March 2013	**26,800**	**702,833**	**552,468**	**78,652**	**1,360,753**
Depreciation:					
At 1 April 2012	12,897	196,354	216,779	32,658	458,688
Depreciation charge for the year	6,027	71,845	195,485	15,051	288,408
At 31 March 2013	**18,924**	**268,199**	**412,264**	**47,709**	**747,096**
Net carrying amount:					
At 31 March 2013	**7,876**	**434,634**	**140,204**	**30,943**	**613,657**

	Leasehold improvement AED	*Furniture and fixtures AED*	*Machinery and equipment AED*	*Motor vehicles AED*	*Total AED*
Cost:					
At 1 April 2011	26,800	219,628	199,560	78,652	524,640
Additions	-	425,248	132,054	-	557,302
At 31 March 2012	26,800	644,876	331,614	78,652	1,081,942
Depreciation:					
At 1 April 2011	3,537	129,501	159,059	15,505	307,602
Depreciation charge for the year	9,360	66,853	57,720	17,153	151,086
At 31 March 2012	12,897	196,354	216,779	32,658	458,688
Net carrying amount:					
At 31 March 2012	13,903	448,522	114,835	45,994	623,254

Depreciation has been allocated in the statement of comprehensive income as follows:

	2013 AED	*2012 AED*
Cost of sales (Note 6)	**288,408**	138,784
General and administrative expenses (Note 7)	-	12,302
	288,408	151,086

10 ACCOUNTS RECEIVABLE AND PREPAYMENTS

	2013 *AED*	*2012* *AED*
Due from related parties (Note 17)	**295,722,144**	295,722,144
Accounts receivable	**793,458**	833,489
Prepayments	**262,505**	190,026
Deposits	**330,750**	219,000
Other receivables	**126,025**	83,610
	297,234,882	297,048,269

Amount due from related parties has been guaranteed by a shareholder of the Company (Note 17).

As at 31 March 2013, accounts receivable at nominal value of AED Nil (2012: AED Nil) were impaired.

As at 31 March the ageing of unimpaired accounts receivables is as follows:

			Past due but not impaired				
	Total *AED*	*Neither past due nor impaired* *AED*	*<30 days* *AED*	*30-60 days* *AED*	*60-90 days* *AED*	*90-120 days* *AED*	*>120 days* *AED*
2013	**793,458**	**505,367**	**128,629**	**159,462**	**-**	**-**	**-**
2012	833,489	650,581	-	182,908	-	-	-

Unimpaired receivables are expected, on the basis of past experience, to be fully recoverable. It is not the practice of the Company to obtain collateral over receivables and the vast majority are, therefore, unsecured.

11 RECEIVABLE ON SALE OF THE INVESTMENT PORTFOLIO

This represents the amount receivable from Islamic Arab Insurance Co., Labuan, Malaysia on the sale of the investment portfolio of the Group comprising Al Firdous Group Co Ltd for Hotels, a wholly owned subsidiary, and Islamic investing and finance assets with Al Masaa Co for Urban Development (together, the investment portfolio). This amount is guaranteed by a related party (Note 17).

On 29 June 2009, the Company signed an agreement with Islamic Arab Insurance Co., Labuan, Malaysia in which the parties agreed to reschedule the outstanding receivable of AED 326,789,701 into installments due every six months starting from 31 August 2010 and ending on 28 February 2012.

On 24 June 2010, and due to a proposed restructuring and investment plans by the Company, the rescheduling agreement was cancelled and both parties entered into another agreement to settle the amount receivable on the sale of the investment portfolio within 12 months from 31 March 2010.

The receivable on sale of the investment portfolio is still outstanding as of the date of these financial statements. Negotiations are being held with Islamic Arab Insurance Co., Labuan for an early resolution to this matter. The Directors consider that the amount will be recovered on the eventual disposal of the investment portfolio and, accordingly, has not made any provision against this receivable.

12 CASH AND CASH EQUIVALENTS

Cash and cash equivalent in the statement of cash flows consist of the following statement of financial position amounts:

	2013 AED	*2012 AED*
Bank balances and cash	**2,621,101**	1,293,173
Short term deposits	**6,300,000**	8,550,000
	8,921,101	9,843,173

The short term deposits are denominated in AED and carries an effective profit rate of 1.1% p.a. (2012: 1.9% p.a.).

13 SHARE CAPITAL

	2013 AED	*2012 AED*
Issued and fully paid:		
600,000,000 shares @ AED 1 each (2012: 600,000,000 shares @ AED 1 each)	**600,000,000**	600,000,000

14 STATUTORY RESERVE

As required by the UAE Commercial Companies Law of 1984 (as amended) and the Company's articles of association, 10% of the profit for the year is required to be transferred to a statutory reserve until such time that the reserve equals 50% of the paid up share capital. The reserve is not available for distribution except in the circumstances stipulated by the Law.

15 EMPLOYEES' END OF SERVICE BENEFITS

	2013 AED	*2012 AED*
At the beginning of the year	**87,334**	29,710
Provision for the year	**85,364**	66,704
Paid during the year	**(38,265)**	(9,080)
Balance at 31 March	**134,433**	87,334

16 ACCOUNTS PAYABLE AND ACCRUALS

	2013 *AED*	*2012* *AED*
Trade payables	**967,599**	434,857
Due to related parties (Note 17)	**2,222,042**	3,722,306
Accrued expenses	**380,253**	722,115
Directors fees payable (Note 17)	**240,000**	280,000
Other payables	**340,854**	183,691
	4,150,748	5,342,969

17 RELATED PARTY BALANCES AND TRANSACTIONS

Related parties represent major shareholders, directors and key management personnel of the Company, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Company's management.

a) Balances due from related parties included in the statement of financial position are as follows:

	2013 *AED*	*2012* *AED*
Due from Bin Zayed Group	**5,782,160**	5,782,160
Advance against purchase of property	**289,939,984**	289,939,984
	295,722,144	295,722,144

Advance against the purchase of property represents the payment made for the purchase of land in Dubai.

For the year ended 31 March 2013, the Company has recorded no impairment of amounts owed by related party (31 March 2012: AED Nil).

The amount receivable on sale of the investment portfolio has been guaranteed by Bin Zayed Group, a related party. The security provided by Bin Zayed Group against the amount receivable on sale of the investment portfolio is a plot of land located in Dubai, United Arab Emirates which was appraised by an independent property consultant at AED 640,000,000 as of 31 October 2008.

Bin Zayed Group has also undertaken to secure the amount of AED 295,722,144 by the assignment of properties to the Company with a fair value not less than the same amount.

b) Balances due to related parties included in the statement of financial position are as follows:

	2013 *AED*	*2012* *AED*
Other related parties	**2,222,042**	3,722,306

17 RELATED PARTY BALANCES AND TRANSACTIONS (continued)

c) Transactions with related parties included in the statement of comprehensive income are as follows:

	2013 *AED*	*2012* *AED*
Share of revenue to property owner	**3,439,338**	2,255,782

d) Compensation of Directors and key management personnel is as follows:

	2013 *AED*	*2012* *AED*
Directors fees	**310,000**	280,000

18 COMMITMENTS

The Company has no future obligations or commitments as of 31 March 2013 (31 March 2012: Nil)

19 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities comprise trade payables and other payables. The main purpose of these financial instruments is to raise finance for the Company's operations. The Company has various financial assets such as receivable on sale of the investment portfolio, due from a related party, bank balances and cash, short-term deposits and accounts receivable, which arise directly from its operations.

The main risks arising from the Company's financial instruments are profit rate risk, liquidity risk, credit risk and currency risk. The Management reviews and agrees policies for managing each of these risks which are summarised below:

Profit rate risk
Profit rate risk is the risk that the value or future cash flows of a financial instrument will fluctuate because of changes in market profit rates.

As of 31 March 2013, the Company is not exposed to any significant profit rate risk as the Company has no liabilities that carry profit and the fixed deposits with the bank earn a fixed rate of profit throughout the year.

Liquidity risk
The Company limits its liquidity risk by ensuring that adequate liquid funds and bank facilities are available. The Company's terms of sale require amounts to be paid within 30 days from the last day of the relevant month with the exception of amount receivable on sale of the Investment Portfolio. Trade payables are normally settled within 30 - 60 days of the date of purchase.

The Company's objective is to maintain a balance between continuity of funding and flexibility through its operations and the use of bank facilities, if required.

The table below summarises the maturities of the Company's undiscounted financial liabilities at 31 March, based on contractual payment dates and current market interest rates.

19 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Liquidity risk (continued)

At 31 March 2013

	Within 1 year AED	*Total AED*
Accounts payable	967,599	967,599
Due to related parties	2,222,042	2,222,042
Other payables and accrued expenses	721,107	721,107
Total	3,910,748	3,910,748

At 31 March 2012

	Within 1 year AED	*Total AED*
Accounts payable	434,857	434,857
Due to related parties	3,722,306	3,722,306
Other payables and accrued expenses	1,185,806	1,185,806
Total	5,342,969	5,342,969

Credit risk

The Company seeks to limit its credit risk with respect to customers by setting credit limits for individual customers and monitors outstanding receivables, a provision is made for any specific debts considered doubtful of recovery.

The Company limits its credit risk with regard to bank deposits by only dealing with reputable banks.

With respect to credit risk arising from the other financial assets of the Company, including cash and cash equivalents, receivable on sale of the investment portfolio, the Company's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

Currency risk

The Company is not exposed to any significant currency risk.

Capital Management

The primary objective of the Company's capital management is to comply with the regulatory requirements in the UAE and to, ensure that it maintains a healthy capital ratio in order to support its business and maximize shareholders' value.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. Capital comprises share capital, additional paid in capital, statutory reserve and retained earnings, and is measured at AED 629,350,751 as at 31 March 2013 (2012: AED 628,874,094).

20 FAIR VALUE OF FINANCIAL INSTRUMENTS

Financial instruments comprise financial assets and financial liabilities.

Financial assets consist of cash and bank balances, short term deposits, receivable on sale of the investment portfolio, due from a related party and accounts receivable. Financial liabilities consist of accounts payable, accrued expense and certain other payables.

20 FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

The fair value of the Company's financial assets and liabilities are not materially different from their carrying value at the statement of financial position date.

21 KEY SOURCES OF ESTIMATION UNCERTAINTY

Use of estimates
The preparation of the financial statements, in conformity with International Financial Reporting Standards, requires that the management make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from these estimates.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, 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:

Impairment of accounts receivable
An estimate of the collectible amount of accounts receivable is made when collection of the full amount is no longer probable. For individually significant amounts, this estimation is performed on an individual basis. Amounts which are not individually significant, but which are past due, are assessed collectively and a provision is applied according to the length of time past due, based on historical recovery rates.

At the statement of financial position date, gross accounts receivable including the receivable on sale of the investment portfolio and due from related party were AED 623,305,303 (31 March 2012: AED 623,345,334) and allowance for doubtful debts was AED Nil (31 March 2012: AED Nil).

Useful lives and depreciation of property, plant and equipment
The management periodically reviews estimated useful lives and depreciation method to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets.