

SUNBORN (GIBRALTAR) HOLDINGS LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

SUNBORN (GIBRALTAR) HOLDINGS LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31st DECEMBER 2017

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SUNBORN (GIBRALTAR) HOLDINGS LIMITED

COMPANY INFORMATION

FOR THE YEAR ENDED 31 DECEMBER 2017

DIRECTOR: Hans Niemi

SECRETARY: Line Secretaries Limited

REGISTERED OFFICE: 57/63 Line Wall Road
Gibraltar

REGISTERED NUMBER: 109486

AUDITORS: AMS Limited
Suite 16
Water Gardens 5
Gibraltar

SUNBORN (GIBRALTAR) HOLDINGS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2017

The director presents his annual report and audited accounts for the year to 31 December 2017.

Activities and review of business

The Company's principal activity is the holding of investments. The Company has been dormant since its incorporation.

Results and dividends

The directors do not recommend the payment of a dividend.

Directors

The director who served office during the whole of the year 1 January 2017 to the date of this report was as shown on page 1.

Statement of directors' responsibilities

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 which meet the requirements of the Gibraltar Companies Act 2014. In addition, the Directors have elected to prepare the financial statements in accordance with Gibraltar Accounting Standards.

The financial statements are required by law to give a true and fair view of the state of affairs of the company and the profit and 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 judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the company will continue in business.

SUNBORN (GIBRALTAR) HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2017 (Continued)

Statement of directors' responsibilities - Continued

The directors are responsible for keeping proper accounting records that 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 and other applicable legislation. 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.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

AMS Limited are willing to stand for reappointment at the next Annual General Meeting.

By Order of the Board


Hans Niemi
Director

28th June 2018

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SUNBORN (GIBRALTAR) HOLDINGS LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Sunborn (Gibraltar) Holdings Limited** (the Company), which comprise the balance sheet as at 31 December 2017, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017;
- have been properly prepared in accordance with Gibraltar Financial Reporting Standards; and
- have been prepared in accordance with the Companies Act 2014.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the directors for the financial statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with applicable law in Gibraltar and International Financial Reporting Standards as adopted for use in the European Union, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SUNBORN (GIBRALTAR) HOLDINGS LIMITED – continued

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SUNBORN (GIBRALTAR) HOLDINGS LIMITED – continued

Report on Other Legal and Regulatory Requirements

Opinion on other matter prescribed by the Companies Act 2014

In our opinion, based on the work undertaken in the course of the audit:

- 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
- the Directors' Report has been prepared in accordance with the requirements of the Companies Act 2014.

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.

Matters on which we are required to report by exception

We have nothing to report in respect of the matter where the Companies Act 2014 requires us to report to you if, in our opinion, we have not received all the information and explanations we require for our audit.

This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 257 of the Companies Act 2014 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Adrian Stevenson
Statutory auditor
For and on behalf of
AMS Limited
Suite 16
Water Gardens 5
Gibraltar

SUNBORN (GIBRALTAR) HOLDINGS LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2017

		2017	<i>Unaudited</i> 2016
	<u>Note</u>	£	£
FIXED ASSETS			
Investments	5	15,609,000	15,609,000
		<hr/>	<hr/>
CURRENT ASSETS			
Amount due from group company		2,000	2,000
		<hr/>	<hr/>
		2,000	2,000
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	6	(5,000)	(5,000)
		<hr/>	<hr/>
NET CURRENT ASSETS		3,000	3,000
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		15,608,000	15,608,000
		<hr/>	<hr/>
CREDITORS: AMOUNTS FALLING DUE AND PAYABLE AFTER MORE THAN ONE YEAR	7	(15,606,000)	(15,606,000)
		<hr/>	<hr/>
NET ASSETS		£ 2,000	£ 2,000
		<hr/> <hr/>	<hr/> <hr/>
CAPITAL AND RESERVES			
Called up share capital	8	2,000	2,000
Retained earnings		-	-
		<hr/>	<hr/>
TOTAL EQUITY		£ 2,000	£ 2,000
		<hr/> <hr/>	<hr/> <hr/>

Approved by the Board on June 2018

Hans Niemi
Director

The notes on pages 8 to 11 form part of these accounts.

SUNBORN (GIBRALTAR) HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

1. COMPANY INFORMATION

Sunborn (Gibraltar) Holdings Limited (the 'Company') is a private company limited by shares incorporated and registered in Gibraltar. The Company is wholly owned by Sunborn Oy a company registered in Finland.

The address of its registered office is as shown on page 1.

2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

The financial statements have been prepared under the historical cost convention and in accordance with applicable Gibraltar Generally Accepted Accounting Practice, including Financial Reporting Standards ('FRS 102') as modified by section 1A applicable to small entities. FRS 102 as modified by section 1A applicable to small entities issued by the Financial Reporting Council was adopted by the Gibraltar Society of Accountants to be part of Gibraltar Accounting Standards - Gibraltar Generally Accepted Accounting Practice.

The Company is also subject to the requirements of the Gibraltar Companies Acts 2014.

The financial statements are presented in Sterling Pounds (£), which is also the Company's functional currency.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Investments

Investments in subsidiary companies are shown at cost.

Impairment of assets

Assets are subject to an impairment review if there are events or changes in circumstances which indicate that their carrying amount may not be recoverable in full. The impairment review comprises a comparison of the carrying amount of the assets with their recoverable amount, which is the higher of net realisable value and value in use. The carrying value of an asset is written down by the amount of any impairment and this loss is recognised in the profit and loss account in the year in which it occurs. If an external event gives rise to the reversal of an impairment loss, the reversal is recognised in the profit and loss account by increasing the carrying amount of the asset in the year in which it occurs. The carrying amount of the asset will only be increased up to the amount that it would have been had the original impairment not occurred.

SUNBORN (GIBRALTAR) HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2017

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Debtors

Debtors are included in current assets, except for maturities greater than twelve months after the end of the reporting year which are classified as part of fixed assets.

Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Creditors are classified as current liabilities if payment is due within one year or less. If not, they are presented as fixed liabilities. Creditors are recognised initially at fair value and subsequently measured at their recoverable value.

Share capital

Ordinary shares are classified as equity.

4. DIRECTOR REMUNERATION AND NUMBER OF EMPLOYEES

The company has no employees. All services provided to the Company are through Group entities.

The director did not receive any emoluments from the Company for his services during the current or preceding year.

5. INVESTMENTS

	2017	<i>Unaudited</i> 2016
	£	£
Investments in subsidiary companies	15,609,000	15,609,000
	<u>£ 15,609,000</u>	<u>£ 15,609,000</u>
	<u><u>£ 15,609,000</u></u>	<u><u>£ 15,609,000</u></u>

SUNBORN (GIBRALTAR) HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2017

6. CREDITORS: AMOUNT FALLING DUE WITHIN ONE YEAR

	2017	<i>Unaudited</i> 2016
	£	£
Amounts due to parent company	£ 5,000	£ 5,000

Amounts due to subsidiary companies are unsecured, interest free and repayable on demand.

7. CREDITORS: AMOUNT FALLING DUE AND PAYABLE AFTER MORE THAN ONE YEAR

	2017	<i>Unaudited</i> 2016
	£	£
Amounts due to parent company	£ 15,606,000	£ 15,606,000

SUNBORN (GIBRALTAR) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2017

8. CALLED UP SHARE CAPITAL

	2017	<i>Unaudited</i> 2016
Authorised:		
2,000 ordinary shares of £1 each	£ 2,000	£ 2,000
	<hr/>	<hr/>
Issued, called up and fully paid:		
2,000 ordinary shares of £1 each	£ 2,000	£ 2,000
	<hr/>	<hr/>

9. TRANSACTIONS WITH RELATED PARTY

There were no transactions with related parties during the year. Amounts outstanding to and from related parties are as shown in notes 6 and 7.

11. IMMEDIATE PARENT UNDERTAKING AND ULTIMATE CONTROLLING PARTY

The immediate parent undertaking of Sunborn (Gibraltar) Holdings Limited is 100% owned by Sunborn International Oy, who in turn is owned by Sunborn Oy.

Sunborn Oy is owned by The Niemi family who are regarded by the director to be the ultimate controlling party.