

REGISTERED NUMBER: 00907806 (England and Wales)

Report of the Directors and  
Financial Statements for the Year Ended 31 March 2012  
for  
Eastern Resorts Limited

MONDAY



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**Eastern Resorts Limited (Registered number: 00907806)**

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**for the Year Ended 31 March 2012**

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**Eastern Resorts Limited**

**Company Information**  
**for the Year Ended 31 March 2012**

**DIRECTORS:**

R J C Paterson

**SECRETARY:**

Comlaw Secretaries Limited

**REGISTERED OFFICE:**

5 Balfour Place  
Mount Street  
London  
W1K 2AU

**REGISTERED NUMBER:**

00907806 (England and Wales)

**AUDITORS:**

S H Landes LLP  
Statutory Auditors  
3rd Floor  
Fairgate House  
78 New Oxford Street  
London  
WC1A 1HB

**Eastern Resorts Limited (Registered number: 00907806)**

**Report of the Directors**  
**for the Year Ended 31 March 2012**

The directors present their report with the financial statements of the company for the year ended 31 March 2012

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of an investment holding company. The principal activity of the subsidiary is the development of a luxury hotel and villas. The company will be liquidated shortly.

**EVENTS SINCE THE END OF THE YEAR**

Information relating to events since the end of the year is given in the notes to the financial statements.

**DIRECTORS**

R J C Paterson has held office during the whole of the period from 1 April 2011 to the date of this report.

Other changes in directors holding office are as follows:

D P Walsh - resigned 20 July 2011

Gracepoint Limited - appointed 31 January 2012 - resigned 31 March 2012

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and 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 and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,

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.

As explained in notes to the financial statements, the directors do not believe the going concern basis to be appropriate and these financial statements have not been prepared on that basis.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

**ON BEHALF OF THE BOARD:**



R J C Paterson - Director

Date 11/11/13

**Report of the Independent Auditors to the Members of  
Eastern Resorts Limited**

We have audited the financial statements of Eastern Resorts Limited for the year ended 31 March 2012 on pages five to eleven. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 a Report of the Auditors 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.

**Respective responsibilities of directors and auditors**

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

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Directors to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Basis for qualified opinion on financial statements**

The audit evidence available to us was limited because we were unable to obtain third party confirmation in respect of a loan owed to the company by a subsidiary of £176,181. We were unable to obtain sufficient appropriate audit evidence by other audit means to confirm that this balance is correctly stated.

**Qualified opinion on financial statements**

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, the financial statements

- give a true and fair view of the state of the company's affairs as at 31 March 2012 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Report of the Independent Auditors to the Members of  
Eastern Resorts Limited**

**Matters on which we are required to report by exception**

In respect solely of the limitation on our work relating to obtaining evidence in respect of the loan described above

- we have not obtained all the information and explanations that we considered necessary for the purpose of audit, and

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

- returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we were unable to determine whether adequate accounting records had been kept

Steven Landes (Senior Statutory Auditor)  
for and on behalf of S H Landes LLP  
Statutory Auditors  
3rd Floor  
Fairgate House  
78 New Oxford Street  
London  
WC1A 1HB

Steven Landes

Date 11/11/13

**Eastern Resorts Limited (Registered number: 00907806)**

**Profit and Loss Account**  
**for the Year Ended 31 March 2012**

	Notes	31 3 12 £	31 3 11 £
<b>TURNOVER</b>		-	-
Administrative expenses		2,250	1,267,290
<b>OPERATING LOSS</b>	2	(2,250)	(1,267,290)
Amounts written off investments	3	-	4,904,003
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(2,250)	(6,171,293)
Tax on loss on ordinary activities	4	-	-
<b>LOSS FOR THE FINANCIAL YEAR</b>		(2,250)	(6,171,293)

The notes form part of these financial statements

**Eastern Resorts Limited (Registered number: 00907806)**

**Statement of Total Recognised Gains and Losses**  
**for the Year Ended 31 March 2012**

	31 3 12 £	31 3 11 £
<b>LOSS FOR THE FINANCIAL YEAR</b>	(2,250)	(6,171,293)
Revaluation of investments	-	(4,956,710)
	<hr/>	<hr/>
<b>TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR</b>	<hr/> <b>(2,250)</b> <hr/>	<hr/> <b>(11,128,003)</b> <hr/>

The notes form part of these financial statements



**Eastern Resorts Limited (Registered number: 00907806)**

**Balance Sheet**  
**31 March 2012**

	Notes	31 3 12 £	31 3 11 £
<b>CURRENT ASSETS</b>			
Debtors	6	2,677	2,677
<b>CREDITORS</b>			
Amounts falling due within one year	7	4,260,799	4,258,549
<b>NET CURRENT LIABILITIES</b>		<u>(4,258,122)</u>	<u>(4,255,872)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>(4,258,122)</u>	<u>(4,255,872)</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	8	12,290,820	12,290,820
Share premium	9	974,900	974,900
Profit and loss account	9	(17,523,842)	(17,521,592)
<b>SHAREHOLDERS' FUNDS</b>		<u>(4,258,122)</u>	<u>(4,255,872)</u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the Board of Directors on

11/11/13

and were signed on its behalf

  
R J C Paterson - Director

The notes form part of these financial statements

**Notes to the Financial Statements**  
**for the Year Ended 31 March 2012**

**1 ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical convention as modified by the revaluation of certain assets and in accordance with the Financial Reporting Standard for Small Entities (effective April 2008)

As required by FRS 18 21 and as permitted by SI 2008/420 schedule 1(10) (2), the director has prepared the financial statements on the basis that the company is no longer a going concern

These financial statements have been prepared under the break- up basis of accounting as the directors do not believe the company is a going concern as the company will be liquidated shortly Under the break up basis of accounting, assets are stated at their net realisable value and liabilities are stated at their settlement value

**Preparation of consolidated financial statements**

The financial statements contain information about Eastern Resorts Limited as an individual company and do not contain consolidated financial information as the parent of a group The company has taken the option under Section 398 of the Companies Act 2006 not to prepare consolidated financial statements

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date However deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits Deferred taxation is measured on a non-discounted basis at the average tax rates that would apply when the timing differences are expected to reverse, based on tax rates and laws that have been enacted by the balance sheet date

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction Exchange differences are taken into account in arriving at the operating result

**Investments**

Investments in subsidiary undertakings are stated as fixed assets at net realisable value

**2 OPERATING LOSS**

The operating loss is stated after charging

	31 3 12	31 3 11
	£	£
Auditors' remuneration	2,251	1,350
	-	1,263,953
	<u>          </u>	<u>          </u>
Directors' remuneration and other benefits etc	-	-
	<u>          </u>	<u>          </u>

**3 AMOUNTS WRITTEN OFF INVESTMENTS**

	31 3 12	31 3 11
	£	£
Impairment of investments	-	4,904,003
	<u>          </u>	<u>          </u>

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 March 2012**

**4 TAXATION**

**Analysis of the tax charge**

No liability to UK corporation tax arose on ordinary activities for the year ended 31 March 2012 nor for the year ended 31 March 2011

**5 FIXED ASSET INVESTMENTS**

	Unlisted investments £
<b>COST</b>	
At 1 April 2011 and 31 March 2012	4,904,003
<b>PROVISIONS</b>	
At 1 April 2011 and 31 March 2012	4,904,003
<b>NET BOOK VALUE</b>	
At 31 March 2012	-
At 31 March 2011	-

As explained in note 1 and note 11 of the financial statements the company's assets are stated at net realisable value. The net realisable value of the company's investment in its subsidiary entities is £nil.

The company's investments at the balance sheet date in the share capital of companies include the following:

**Paradise Beach Limited and Paradise 88 LP**

Country of incorporation Barbados

Nature of business Development of luxury hotel and villas

	%		
Class of shares	holding	31 3 12	31 3 11
Ordinary shares	100.00	£	£
Aggregate capital and reserves		-	21,363,571
Profit for the year		-	3,391,856

The above information was not available as at 31 March 2012.

**6 DEBTORS, AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31 3 12	31 3 11
	£	£
Other debtors	2,677	2,677

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2012**

**7 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31 3 12	31 3 11
	£	£
Amounts owed to group undertakings	4,244,212	4,244,212
Other creditors	12,087	12,087
Accrued expenses	4,500	2,250
	<u>4,260,799</u>	<u>4,258,549</u>

**8 CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid			31 3 12	31 3 11
Number	Class	Nominal value	£	£
12,290,820	Ordinary	£1	<u>12,290,820</u>	<u>12,290,820</u>

**9 RESERVES**

	Profit and loss account	Share premium	Totals
	£	£	£
At 1 April 2011	(17,521,592)	974,900	(16,546,692)
Deficit for the year	(2,250)		(2,250)
At 31 March 2012	<u>(17,523,842)</u>	<u>974,900</u>	<u>(16,548,942)</u>

**10 RELATED PARTY DISCLOSURES**

As at the year end, the amount of £4,068,031 (2011 £4,068,031) was owed to the ultimate parent entity, Paradise Beach LLP in respect of an interest free loan to the company

As at the year end, the amount of £176,181 (2011 £176,181) in respect of an interest free inter-company loan was owed to Paradise 88 LP, a partnership incorporated in the British Virgin Islands

The company is subject to a cross guarantee from Paradise Beach LLP, the parent entity, over the assets in the group in respect of a loan included in that LLP

The above entities are all related due to common ownership

**11 POST BALANCE SHEET EVENTS**

The company has an investment in a subsidiary constructing a luxury villa development in Barbados. Construction on the site ceased when the subsidiary ran out of funds to finance the ongoing costs. Members of the group to which the company belongs subsequently defaulted on bank borrowings and therefore the assets of the subsidiary, which were subject to charge in respect of the borrowings, are being seized. The directors consider that the subsidiary now has no value to the company and therefore the company will be liquidated. The accounts have therefore been prepared on a break up basis and the assets written down to their net realisable value.

Eastern Resorts Limited (Registered number: 00907806)

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2012

**12      ULTIMATE CONTROLLING PARTY**

The parent entity is Paradise Beach LLP, a limited liability partnership incorporated in England. The LLP is controlled by its members with no one member having overall control.