CREDIT SUISSE

CREDIT SUISSE FIRST BOSTON CANARY WHARF HEALTH CLUB LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

Company Registration Number 02956794

CREDIT SUISSE FIRST BOSTON CANARY WHARF HEALTH CLUB LIMITED

BOARD OF DIRECTORS

Stuart C Eden	Director
Simon E Foster	Director
Paul E Hare	Director

COMPANY SECRETARY

Paul E Hare	Secretary

CREDIT SUISSE FIRST BOSTON
CANARY WHARF HEALTH CLUB LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2011

The directors present their report and the financial statements for the year ended 31 December 2011

International Financial Reporting Standards

The Company's 2011 annual accounts have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted for use in the European Union (EU)

The financial statements were authorized for issue by the directors on 5 September 2012

Principal activities

Canary Wharf Health Club Limited ("the Company"), is a company domiciled in United Kingdom The principal activity of the Company was to carry out the business of a sports, health and fitness club

On October 24, 2011, the health club operations were discontinued and the non-current assets were transferred to Credit Suisse International The transfer was at the net book value of the assets on the date of the transfer

Performance and business review

The loss for the year was £602,688 (2010 loss £812,599)

Given the straight forward nature of the business, the Company's directors are of the opinion that analysis using KPI's is not necessary for an understanding of the development, performance or position of the business

Going concern

The financial statements have been prepared on a going concern basis, notwithstanding the deficiency in the net assets, as Credit Suisse AG, Zurich has confirmed its intention to provide the necessary financial support to the Company to continue operations and meet its liabilities as and when they fall due

Share capital

The Company is not subject to externally imposed capital requirements During the year, no additional share capital was issued (2010 £ Nil)

The Board's policy is to maintain an adequate capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business

The capital structure of the Company consists of equity attributable to equity holders of the Company, comprising issued capital, reserves and accumulated losses

The Company funds its operations and growth through equity This includes assessing the need to raise additional equity where required

There were no changes in the Company's approach to capital management during the year

Dividends

No dividends were paid or are proposed during the year (2010 £ Nil)

Risk management

The Company's financial risk management objectives and policies and the exposure of the Company to market risk, credit risk and liquidity risk are outlined in Note 24

CREDIT SUISSE FIRST BOSTON
CANARY WHARF HEALTH CLUB LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2011

Directors

The names of the directors as at the date of this report are set out on page 2 There have been no changes in the directorate since 31 December 2010, and up to the date of this report

None of the directors who held office at the end of the financial year was beneficially interested, at any time during the year, in the shares of the Company or had any disclosable interest in shares of Credit Suisse group companies

All directors benefited from qualifying third party indemnity provisions in place during the financial year and at the date of this report

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware, and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information

Auditors

Pursuant to section 487 of the Companies Act 2006, KPMG Audit Plc continues as the Company's auditors

Prompt payment code

It is the policy of the Company to pay all invoices in accordance with contract and payment terms

Donations

No charitable or political donations were made during the year (2010 £ Nil)

Subsequent events

On 21 March 2012, the Government announced that the corporation tax rate applicable from 1 April 2012 would be 24% and that there will be further proposed reductions in the UK corporation tax rate by 1% per annum to 22% by 1 April 2014 The reduction to 24% was substantively enacted on 26 March 2012 and the reduction to 23% was substantively enacted on 3 July 2012

There were no other subsequent events that require disclosure as at the date of this report

By Order of the Board

Paul E Hare
Company Secretary

One Cabot Square
London E14 4QJ
5 September 2012

CREDIT SUISSE FIRST BOSTON
CANARY WHARF HEALTH CLUB LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

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 they have elected to prepare the financial statements in accordance with IFRS as adopted by the EU 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 estimates that are reasonable and prudent,
- state whether they have been prepared in accordance with IFRS as adopted by the EU, and
- 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities

Independent Auditor's Report to the Members of Credit Suisse First Boston Canary Wharf Health Club Limited

We have audited the financial statements of Credit Suisse First Boston Canary Wharf Health Club Limited for the year ended 31 December 2011 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Cash Flow Statement and the related notes The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the EU

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 auditors' 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

Respective responsibilities of directors and auditors
As explained more fully in the Statement of Directors' Responsibilities set out on page 5, 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 (APB's) Ethical Standards for Auditors

Scope of the audit of the financial statements
A description of the scope of an audit of financial statements is provided on the APB's web-site at www frc org uk/apb/scope/private cfm
In addition, we read all the financial and non-financial information in the Directors Report 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

Opinion on 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 2011 and of its loss for the year then ended,
- have been properly prepared in accordance with IFRSs as adopted by the EU, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matters 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

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
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

Nicholas J Edmonds
(Senior Statutory Auditor)

for and on behalf of KPMG Audit Plc, Statutory Auditor
Chartered Accountants
15 Canada Square
London
United Kingdom
E14 5GL
5 September 2012

CREDIT SUISSE FIRST BOSTON CANARY WHARF HEALTH CLUB LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2011

	Note	2011 £	2010 £ Re-classified
Revenue	4	-	-
Administrative expenses	5	(12,820)	(14,256)
Loss on ordinary activities before interest		**(12,820)**	**(14,256)**
Interest income	6	16,600	16,136
Finance expenses	7	(80,438)	(71,898)
Operating Loss before tax		**(76,658)**	**(70,018)**
Income tax benefit on ordinary activities	8	20,312	-
Loss from ordinary activities		**(56,346)**	**(70,018)**
Discontinued operations	20	(546,342)	(742,581)
Loss for the year		**(602,688)**	**(812,599)**

There is no other comprehensive income for the current and prior years Accordingly no statement of other comprehensive income is provided

The notes on pages 11 to 25 form an integral part of these financial statements

CREDIT SUISSE FIRST BOSTON
CANARY WHARF HEALTH CLUB LIMITED

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2011

	Note	2011 £	2010 £
ASSETS			
Non-current assets			
Property, plant and equipment	9	-	1,784,713
Total non-current assets		**-**	**1,784,713**
Current assets			
Cash and cash equivalents	10	4,255,640	58,038
Amounts due from related companies	11	8,175	3,245,457
Other receivables		158,334	221,132
Total current assets		**4,422,149**	**3,524,627**
Total assets		**4,422,149**	**5,309,340**
LIABILITIES			
Non-current liabilities			
Deferred tax	12	-	93,058
Borrowings	13	4,647,000	4,647,000
Total non-current liabilities		**4,647,000**	**4,740,058**
Current liabilities			
Amounts due to related companies	14	300,335	345,313
Bank overdraft	15	13,802	13,552
Other liabilities	16	3,044	149,761
Total current liabilities		**317,181**	**508,626**
Total liabilities		**4,964,181**	**5,248,684**
SHAREHOLDERS' EQUITY			
Share capital	17	100	100
Capital contribution reserve	18	9,000,000	9,000,000
Accumulated losses		(9,542,132)	(8,939,444)
Total shareholders' equity		**(542,032)**	**60,656**
Total shareholders' equity and liabilities		**4,422,149**	**5,309,340**

The notes on pages 11 to 25 form an integral part of these financial statements

Approved by the Board of Directors on 5 September 2012 and signed on its behalf by

Simon E Foster
Director

CREDIT SUISSE FIRST BOSTON
CANARY WHARF HEALTH CLUB LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2011

	Share capital	Capital contribution reserve	Accumulated losses	Total
	£	£	£	£
Balance at 1 January 2011	**100**	**9,000,000**	**(8,939,444)**	**60,656**
Loss for the year	-	-	(602,688)	(602,688)
Total recognised income and expense for the year	**-**	**-**	**(602,688)**	**(602,688)**
Balance at 31 December 2011	**100**	**9,000,000**	**(9,542,132)**	**(542,032)**

	Share capital	Capital contribution reserve	Accumulated losses	Total
	£	£	£	£
Balance at 1 January 2010	**100**	**9,000,000**	**(8,126,845)**	**873,255**
Loss for the year	-	-	(812,599)	(812,599)
Total recognised income and expense for the year	**-**	**-**	**(812,599)**	**(812,599)**
Balance at 31 December 2010	**100**	**9,000,000**	**(8,939,444)**	**60,656**

The notes on pages 11 to 25 form an integral part of these financial statements

CREDIT SUISSE FIRST BOSTON
CANARY WHARF HEALTH CLUB LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2011

	2011 £	2010 £
Cash flow from operating activities		
Loss before tax for the year [inclusive of loss from discontinued operations before tax (refer note 20)]	(788,724)	(901,891)
Adjustments to reconcile net losses to net cash (used in)/ generated from operating activities		
Non-cash items included in loss before tax and other adjustments		
Impairment, depreciation and amortisation on property, plant and equipment	331,193	390,567
Net interest expense	63,838	55,762
Unrealised foreign exchange loss	513	-
Operating loss before working capital changes	**(393,180)**	**(455,562)**
Net decrease in operating assets		
Amounts due from related companies and other receivables	3,217,019	942,987
Net decrease in operating liabilities		
Amounts due to related companies and other liabilities	(191,834)	(494,471)
Cash generated from/ (used in) operations	**2,632,005**	**(7,046)**
Amount received on sale of assets	1,453,519	-
Net Payment received from Group company	176,196	-
Interest received	16,002	15,689
Interest paid	(80,299)	(71,831)
Net cash generated from/(used in) operating activities	**4,197,423**	**(63,188)**
Net increase/(decrease) in cash and cash equivalents	**4,197,423**	**(63,188)**
Effects of exchange rate changes on the balance of cash held/ bank overdraft payable in foreign currency	(71)	-
Cash and cash equivalents at beginning of year	44,486	107,674
Cash and cash equivalents at end of year	**4,241,838**	**44,486**

Cash and cash equivalents are analysed as follows

	Note	2011 £	2010 £
Cash and cash equivalents	10	4,255,640	58,038
Bank overdraft	15	(13,802)	(13,552)
		4,241,838	**44,486**

The notes on pages 11 to 25 form an integral part of these financial statements

1. General

Credit Suisse First Boston Canary Wharf Health Club Limited is a company domiciled in the United Kingdom The principal activity of Credit Suisse First Boston Canary Wharf Health Club Limited (the "Company") was to carry out the business of a sports, health and fitness club

2 Going concern basis

The financial statements have been prepared on a going concern basis, notwithstanding the deficiency in the net assets, as Credit Suisse AG, Zurich has confirmed its intention to provide the necessary financial support to the Company to continue operations and meet its liabilities as and when they fall due

3. Significant accounting policies

a) Statement of compliance

The financial statements have been prepared on a going concern basis and approved by the directors in accordance with International Financial Reporting Standards as adopted by the EU ("adopted IFRS") and are in compliance with Companies Act 2006

b) Basis of preparation

The financial statements are presented in Great British Pounds (£) They are prepared on historical cost basis

The preparation of financial statements in conformity with adopted IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources Actual results may differ from these estimates

The estimates and underlying assumptions are reviewed on an ongoing basis Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision has a significant effect on both current and future periods

Standards and Interpretations effective in the current period

The Company has adopted the following amendments and interpretation in the current year

- Revised IAS 24 Related Party Disclosures – In November 2009, the IASB issued revisions to IAS 24 "Related Party Disclosures" (IAS 24) effective from 1 January 2011 The objective of the revised IAS 24 is to simplify and ensure that an entity's financial statements contain the disclosures necessary to draw attention to the possibility that its financial position and profit or loss may have been affected by the existence of related parties and by transactions and outstanding balances with such parties The Company has adopted the revisions to IAS 24 and these did not have a material impact on the existing related party disclosures For further information refer to *Note-21 Related Party transactions*

3. Significant accounting policies (continued)

(b) Basis of preparation (continued)

Standards and Interpretations effective in the current period (continued)

- Improvements to IFRSs (Issued by IASB in May 2010) - These amendments which resulted from IASB's annual improvements project comprise amendments that result in accounting changes for presentation, recognition or measurement purposes as well as terminology or editorial amendments related to a variety of individual IFRS standards The adoption of Improvements to IFRS's did not have a material impact on the Company's Financial Position, results of operations or cash flows The disclosures required as a result of adoption are included in the notes to the financial statements for the year ended 31 December, 2011

Standards and Interpretations in issue but not yet effective

The Company is not required to adopt the following standards and interpretations which are issued but not yet effective

- Amendments to IFRS 7 Disclosures- Transfers of Financial Assets The amendments improved the understanding of transfer transactions of financial assets by users of financial statements, including understanding the possible effects of any risks that may remain with the entity that transferred the assets The amendments also require additional disclosures if a disproportionate amount of transferred transactions are undertaken around the end of reporting period The amendments are effective for annual periods beginning on or after 01 July 2011 As the amendments are for disclosures only, the adoption of the standard will not have any material impact on the Company's financial position, results of operation or cash flows

- In December 2011, the IASB issued amendments to IFRS 7 "Disclosures – Offsetting Financial Assets and Financial Liabilities" The amendments require disclosures about the effect or potential effects of offsetting financial assets and financial liabilities and related arrangements on an entity's financial position The amendments are effective for annual periods beginning on or after 1 January 2013

- In December 2010, IASB issued Deferred tax- Recovery of underlying assets – Amendments to IAS 12 with an effective date of 1 January 2012

- In June 2011, IASB issued Presentation of items of Other Comprehensive Income effective from 1 July 2011

- IFRS 13 Fair Value Measurement published by IASB in May 2011, replaces existing guidance on fair value measurement in different IFRS's with a single definition of Fair Value, a framework of measuring fair values and disclosures about fair value measurements

- IFRS 9 Accounting for financial liabilities and derecognition was issued by IASB in October 2010, is effective from 1 January 2013

- IAS 32 Financial Instruments Presentation Amendments to application guidance on the offsetting of financial assets and financial liabilities was issued in December 2011, is effective from 1 January 2013

The expected impact of the standards and interpretations issued but not yet effective is still being assessed, however, the Company does not anticipate that the above interpretations will have a material impact on the reported numbers in the financial statements in the period of initial application The accounting policies have been applied consistently by the Company The financial Statements have also been prepared in accordance with the Companies Act, 2006

3. Significant accounting policies (continued)

c) Foreign currency

Transactions denominated in currencies other than the functional currency of the Company are recorded by translating to the functional currency of the Company at the exchange rate on the date of the transaction At the balance sheet date, monetary assets and liabilities such as receivables and payables are reported using the spot exchange rates applicable at that date Exchange rate differences are reported in the Statement of Comprehensive Income Non-monetary assets and liabilities denominated in foreign currencies at the balance sheet date are not revalued for movements in foreign exchange rates

The Company's functional currency is Great British Pounds (£)

d) Cash and cash equivalents

For the purpose of preparation and presentation of the statement of cash flow, cash and cash equivalents comprise the components of cash and due from banks that are short-term, highly liquid instruments with original maturities of three months or less, which are subject to an insignificant risk of changes in their fair value and that are held for the purpose of cash management

e) Amounts due to and from related companies

Amounts due to and from related parties are loans and receivables which are non derivative financial assets with fixed or determinable payments that are not quoted in an active market They are initially measured at fair value plus incremental direct transaction costs and are subsequently measured at their amortised cost on an effective yield basis

f) Income tax

Income tax on the profit or loss for the year comprises current and deferred tax Income tax is recognised in the Statement of Comprehensive Income except to the extent that it relates to items recognised directly in equity, in which case the income tax is recognised in equity For items initially recognised in equity and subsequently recognised in the Statement of Comprehensive Income, the related income tax initially recognised in equity is also subsequently recognised in the Statement of Comprehensive Income

Current tax is the expected tax payable on the taxable income for the year and includes any adjustment to tax payable in respect of previous years Current tax is calculated using tax rates enacted or substantially enacted at the balance sheet date

Deferred tax assets and liabilities are recognised to reflect the estimated amounts of income tax recoverable/payable in future periods in respect of temporary differences and unused carry forward of tax losses For temporary differences, a deferred tax asset is recognised to the extent that it is probable that taxable income will be available against which the deductible temporary difference can be utilised Similarly, a deferred tax asset is recognised on unused carry forward tax losses to the extent that it is probable that future taxable profits will be available against which the unused carry forward tax losses can be utilised

Periodically, management evaluates the probability that taxable profits will be available against which the deductible temporary differences and unused carry forward tax losses can be utilised Within this evaluation process, management also considers tax-planning strategies The evaluation process requires significant management judgement, primarily with respect to projecting future taxable profits

Information as to the calculation of income tax on the profit or loss for the periods presented is included in Note 8

3. Significant accounting policies (continued)

g) Revenue

Revenue includes joining fees and membership fees for the health club Joining fees are recognised at the start of the membership Membership fees are recognised based on the period of membership during the financial year Effective 1 May 2010, the Company has appointed a contractor for managing the health club Revenue includes fixed fee received from the contractor to cover running costs of the health club and share of profit as per the terms of the agreement with contractor

h) Property, plant and equipment

All property, plant and equipment is stated at historical cost less depreciation Historical cost includes expenditure that is directly attributable to the acquisition of the items

Subsequent costs are included in the asset's carrying amount or are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably All other repairs and maintenance are charged to the Statement of Comprehensive Income during the financial period in which they are incurred

Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows

Leasehold improvements	20 years
Furniture and fittings	7 years
Office equipment	5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount The recoverable amount is the higher of the asset's fair value less costs to sell and value in use

Gains and losses on disposals are determined by comparing assets proceeds to it's carrying amount These are included in the Statement of Comprehensive Income

i) Operating leases

The lease entered into by the Company is an operating lease The total payments made under this lease are charged to the Statement of Comprehensive Income on a straight-line basis over the period of the lease When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place

j) Interest income

Interest income includes interest earned on deposits with group companies and bank balances

k) Fair value

The Company reports fair values in the financial statements with respect to financial instruments Fair value may be objective, as is the case for exchange-traded instruments, for which quoted prices in price-efficient and liquid markets generally exist, or as is the case where a financial instrument's fair value is derived from actively quoted prices or pricing parameters or alternative pricing sources with a reasonable level of price transparency For financial instruments that trade infrequently and have little price transparency, fair value may be subjective and require varying degrees of judgement depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument

3. Significant accounting policies (continued)

l) Critical accounting estimates and judgements in applying accounting policies

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances

Tax contingencies

Significant judgement is required in determining the effective tax rate and in evaluating certain tax positions The Company may accrue for tax contingencies despite the belief that positions taken in tax returns are always fully supportable Tax contingency accruals are adjusted due to changing facts and circumstances, such as case law, progress of audits or when an event occurs requiring a change to the tax contingency accruals Management regularly assesses the appropriateness of provisions for income taxes Management believes that it has appropriately accrued for any contingent tax liabilities

Discontinued operation

A discontinued operation is a component of the Company's business that represents a whole operating segment or reporting unit, a subsidiary or an asset group that has been disposed of or is held for sale Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier When an operation is classified as a discontinued operation, the comparative statement of income is re-presented as if the operation had been discontinued from the start of the comparative period

4. Revenue

		Re-classified
	2011	**2010**
	£	**£**
Membership fees	-	-
Service fee received	-	-
Total revenue	**-**	**-**

The entire revenue relates to the discontinued operation as disclosed in Note 20

5. Administrative expenses

		Re-classified
	2011	**2010**
	£	**£**
Other general and administrative expenses	12,820	14,256
Total administrative expenses	**12,820**	**14,256**

6. Interest income

	2011 £	2010 £
Interest from related company	16,600	16,136
Total interest income	**16,600**	**16,136**

7. Finance expenses

	2011 £	2010 £
Interest paid on loans with related company	80,438	71,898
Total finance expenses	**80,438**	**71,898**

8. Income tax benefit

	2011 £	2010 £
Current tax		
Current tax on losses for the period	(121,214)	-
Total current tax	**(121,214)**	-

	2011 £	2010 £
Deferred tax (Note 12)		
Origination and reversal of temporary differences	(62,632)	(85,846)
Effect of change in tax rate	(2,190)	(3,446)
Total deferred tax	**(64,822)**	**(89,292)**
Income tax benefit	**(186,036)**	**(89,292)**

The UK corporation tax rate reduced from 28% to 26% effective from 1 April 2011

Reconciliation of effective tax rate

The income tax benefit for the year can be reconciled to the loss per the Statement of Comprehensive Income as follows

	2011 £	2010 £
Profit/ (Loss) before tax [inclusive of loss from discontinued operations before tax (refer note 20)]	**(788,724)**	**(901,891)**
Profit/ (Loss) before tax multiplied by the UK statutory rate of corporation tax at the rate of 26 5% (2010 28%)	(208,958)	(252,529)
Group relief surrendered for nil consideration	-	143,171
Tax effect of expenses that are non-deductible in determining taxable profit	26,824	23,512
Other permanent differences	(1,712)	-
Effect of change in tax rate	(2,190)	(3,446)
Income tax benefit	**(186,036)**	**(89,292)**

9 Property, plant and equipment

	Leasehold improvements £	Office equipment £	Furniture & fittings £	Total £
Cost				
Cost as at 1 January 2011	8,200,978	81,257	207,470	8,489,705
Additions	-	-	-	-
Disposals	(8,200,978)	(81,257)	(169,202)	(8,451,437)
Write off			(38,268)	(38,268)
Cost as at 31 December 2011	-	-	-	-
Cost as at 1 January 2010	8,200,978	81,257	207,470	8,489,705
Additions	-	-	-	-
Disposals	-	-	-	-
Cost as at 31 December 2010	**8,200,978**	**81,257**	**207,470**	**8,489,705**
Depreciation				
Depreciation as at 1 January 2011	**(6,466,303)**	**(81,257)**	**(157,432)**	**(6,704,992)**
Charge for the year	(281,156)	-	(11,770)	(292,926)
Disposals/ write off during the year	6,747,459	81,257	169,202	6,997,918
Depreciation as at 31 December 2011	-	-	-	-
Depreciation as at 1 January 2010	(6,091,429)	(81,257)	(141,739)	(6,314,425)
Charge for the year	(374,874)	-	(15,693)	(390,567)
Disposals/ write off during the year	-	-	-	-
Depreciation as at 31 December 2010	**(6,466,303)**	**(81,257)**	**(157,432)**	**(6,704,992)**
Net book value				
Net book value as at 31 December 2011	-	-	-	-
Net book value as at 31 December 2010	**1,734,675**	-	**50,038**	**1,784,713**

Leasehold improvements related to improvements to land and buildings occupied by the Company for its own activities

On October 24, 2011, the non- current assets were transferred to Credit Suisse International The transfer was at the net book value of the assets on the date of the transfer

10. Cash and Cash equivalents

	2011	2010
	£	£
Cash at bank and in hand	4,255,640	58,038
Total cash and cash equivalents	**4,255,640**	**58,038**

The fair value of cash and cash equivalents equals book value

All bank accounts are repayable on demand and are held with Credit Suisse AG Zurich, a related company

11. Amounts due from related Companies

	2011	2010
	£	£
Amounts due from related companies	1,627	3,155,249
Group relief receivable	6,548	90,208
Total amounts due from related companies	**8,175**	**3,245,457**

Fair value of amounts due from related companies approximates to book value due to the short-term nature of these transactions The effective interest rate on amounts due from related companies was 0 60% (2010 0 45%)

12. Deferred tax

Deferred taxes are calculated on all temporary differences under the liability method using an effective tax rate of 25% (2010 27%)

	2011	2010
	£	£
Deferred tax liabilities	-	93,058
At end of year	**-**	**93,058**

The movement for the year on the deferred tax position was as follows

	2011	2010
	£	£
At 1 January	93,058	182,350
Benefit to income for the year	(62,632)	(85,846)
Transfer of deferred tax liability to group company	(28,236)	-
Effect of change in tax rate	(2,190)	(3,446)
At 31 December	**-**	**93,058**

The deferred tax liability is attributable to the following items

Deferred tax liabilities

	2011	2010
	£	£
Accelerated capital allowances	-	93,058
At 31 December	**-**	**93,058**

12. Deferred tax (continued)

On 23 March 2011, the Government announced that the corporation tax rate applicable from 1 April 2011 would be 26% This change was substantively enacted on 29 March 2011 The enacted reduction in the UK corporation tax rate from 28% to 27% with effect from 1 April 2011 had been incorporated in the Company's deferred tax calculations as at 31 December 2010 In addition, the Finance Act 2011, which passed into law on 19 July 2011, included a further reduction in the UK corporation tax rate from 26% to 25% with effect from 1 April 2012 The change in the UK corporation tax rate from 27% to 25% has resulted in a reduction of the Company's deferred tax liability of GBP 2,190

On 21 March 2012, the Government further announced that the corporation tax rate applicable from 1 April 2012 would be 24% and that there will be further proposed reductions in the UK corporation tax rate by 1% per annum to 22% by 1 April 2014

The rate reduction to 24% was substantively enacted on 26 March 2012 and the reduction to 23% was substantively enacted on 3 July 2012 The proposed further reduction in the UK corporation tax rate to 22% by 1 April 2014 is expected to be substantively enacted in 2013

13 Borrowings

	2011	2010
	£	£
Borrowings	4,647,000	4,647,000
Total borrowings	**4,647,000**	**4,647,000**

The carrying amounts of the Company's borrowings are denominated in GBP and are with a related company, Credit Suisse First Boston Finance B V The loan consists of a revolving credit facility with a three month rollover The carrying values of borrowings approximate their fair values as they are re-priced on a 3 month period on a LIBOR plus spread basis

The effective interest rate on the loan was 1 93% (2010 1 60%) This loan has an average re-priced period of 91 days (2010 91 days)

14. Amounts due to related companies

	2011	2010
	£	£
Amounts due to related companies	300,335	345,313
Total amount due to related companies	**300,335**	**345,313**

Fair value of amounts due to related companies approximates book value due to the short-term nature of these transactions Amounts due to related companies are non interest-bearing

15 Bank overdraft

	2011	2010
	£	£
Bank overdraft	13,802	13,552
Total Bank Overdraft	**13,802**	**13,552**

The fair value of bank overdrafts equals to book value due to their short-term nature

16. Other liabilities

	2011	2010
	£	£
Accrual for audit fee	3,044	3,845
Other accruals	-	145,916
Total other liabilities	**3,044**	**149,761**

17. Share capital

	2011	2010
Authorised equity:	£	£
Equity		
10,000,000 Ordinary shares of £1 each	10,000,000	10,000,000
Allotted, called up and fully paid:		
100 Ordinary shares of £1 each	100	100

The holders of ordinary shares have voting rights and the right to receive dividends

No additional share capital was issued by the Company during the year (2010 Nil)

Capital management

The Board's policy is to maintain an adequate capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business

The capital structure of the Company consists of equity attributable to equity holders of the Company, comprising issued capital, reserves and accumulated losses

The Company funds its operations and growth through equity This includes assessing the need to raise additional equity where required The Company is not subject to externally imposed capital requirements

There were no changes in the Company's approach to capital management during the year

18 Capital contribution reserve

	2011	2010
	£	£
Capital reserve	9,000,000	9,000,000
Total capital contribution reserve	**9,000,000**	**9,000,000**

The capital contribution reserve represents contribution made by the parent company to the Company's reserves The reserve is distributable by way of dividends

19. Guarantees and commitments

Lease commitments

The following table sets forth details of future minimum operating lease commitments under non-cancellable operating leases

	2011	2010
	£	£
Within one year	-	713,345
Two to five years	-	2,853,380
More than five years	-	2,673,578
Future operating lease commitments	**-**	**6,240,303**

Rentals under operating leases charged as an expense in the Statement of Comprehensive Income for the current year £566,248 (2010 £685,127)

On October 24, 2011, the Company has assigned the under lease to Credit Suisse International Hence there would be no future lease commitments

20. Discontinued Operations

On October 24, 2011, the Company has assigned the under lease of the health club premises to Credit Suisse International

The transfer of the non-current assets was effected at the net book value of the assets, amounting to £ 1,453,519

	2011	2010
	£	£
Results of discontinued operation		
Revenue	1,146,615	1,450,298
Expense	(1,858,681)	(2,282,171)
Loss for the period from discontinued operation, before tax	**(712,066)**	**(831,873)**
Income tax benefit	165,724	89,292
Loss for the period from discontinued operation	**(546,342)**	**(742,581)**

	2011	2010
	£	£
Cash flows from discontinued operation		
Net cash used in operating activities	(307,506)	(756,735)
Proceeds from transfer of assets	1,453,519	-
Net cash flows generated from /(used in) discontinued operation	**1,146,013**	**(756,735)**

21 Related party transactions

The Company is a wholly owned subsidiary of Credit Suisse Investment Holdings (UK), incorporated in the United Kingdom Credit Suisse Investment Holdings (UK) is owned by Credit Suisse Investments (UK) The ultimate parent of the Company is Credit Suisse Group AG, incorporated in Switzerland

Copies of accounts of Credit Suisse Investments (UK) and group accounts of the ultimate holding company, which are those of the smallest and largest groups in which the results of the Company are consolidated, are available to the public and may be obtained from The Registrar of Companies, Companies House, Crown Way, Maindy, Cardiff, CF14 3UX and Credit Suisse Group AG, Paradeplatz, P O Box 1, 8070 Zurich, respectively

The Company has significant related party balances with subsidiaries and affiliates of Credit Suisse Group AG The Company generally enters into the above transactions in the ordinary course of business and these transactions are on market terms that could be obtained from unrelated parties

In the normal course of its business, the Company receives a range of administrative services from related companies within the Credit Suisse group Credit Suisse group companies have borne the cost of these services

The related party balances and transactions are disclosed in the respective notes

21. Related party transactions (continued)

a) Related party assets and liabilities

	2011 Parent company £	2011 Fellow group companies £	2010 Parent company £	2010 Fellow group companies £
Current assets				
Amounts due from related companies	-	1,627	-	3,155,249
Cash and cash equivalents	-	4,255,640	-	58,038
Group relief receivable	-	6,548	-	90,208
Total related party assets	**-**	**4,263,815**	**-**	**3,303,495**
Non-current liabilities				
Borrowings	-	4,647,000	-	4,647,000
Current liabilities				
Amounts due to related companies	-	300,335	-	345,313
Bank overdraft	-	13,802	-	13,552
Total related party liabilities	**-**	**4,961,137**	**-**	**5,005,865**

b) Related party revenue and expenses

	2011 Parent company £	2011 Fellow group Companies £	Re-classified 2010 Parent company £	2010 Fellow group companies £
Interest income	-	16,600	-	16,136
Total related party revenue	**-**	**16,600**	**-**	**16,136**
Administrative expenses from discontinued operations	-	1,151,251	-	1,266,160
Finance expense	-	80,438	-	71,898
Total related party expenses	**-**	**1,231,689**	**-**	**1,338,058**

c) Remuneration of directors and key management personnel

The directors and key management personnel did not receive any remuneration in respect of their services as directors of the Company (2010 £ Nil) The directors and key management personnel are employees of its related companies and the Company does not reimburse its related companies for the services rendered by these directors and key management personnel

All directors benefited from qualifying third party indemnity provisions

d) Loans and advances to directors and key management personnel

There were no loans or advances made to directors or key management personnel during the year (2010 £ Nil)

e) Liabilities due to pension funds

The Company has no employees and therefore does not have any liabilities with regard to pension funds

22. Employees

The Company had no employees during the year (2010 Nil) The Company receives a range of administrative services from related companies within the Credit Suisse AG group Credit Suisse AG group companies have borne the cost of these services

23. Fair value of financial instruments

Fair value of financial instruments carried at fair value

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction Quoted market prices, when available, are used as the measure of fair value In cases where quoted market prices are not available, fair values are determined using present value estimates or other valuation techniques, for example, the present value of estimated expected future cash flows using discount rates commensurate with the risks involved Fair value estimation techniques normally incorporate assumptions that market participants would use in their estimates of values, future revenues, and future expenses, including assumptions about interest rates, default, prepayment and volatility

Because assumptions are inherently subjective in nature, the estimated fair values cannot be substantiated by comparison to independent market quotes and, in many cases, the estimated fair values would not necessarily be realised in an immediate sale or settlement of the instrument For cash and other liquid assets maturing within three months, the fair value is assumed to approximate to book value, given the short term nature of these instruments For those items with a stated maturity exceeding three months, fair value is calculated using a discounted cash flow analysis

The fair value of all financial assets and liabilities approximates to the book value

24. Financial risk management

The Company's activities expose it to a variety of financial risks market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk The overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance

Risk management is carried out by the central treasury department of Credit Suisse ("Group Treasury") under policies approved by its Board of Directors Group Treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investing excess liquidity

a) Market Risk

i) Cash flow and Interest rate risk

The Company has interest-bearing assets and liabilities including cash and cash equivalents, borrowings and amounts due from related companies

The interest rates associated with cash and cash equivalents, amounts due from related companies and borrowings are variable and therefore the Company is exposed to some interest rate risk Interest rates on cash and cash equivalents, amounts due to and from related companies typically reset within 3 months, which minimises the risk to changes in interest rates As the Company's significant interest-bearing assets and liabilities are against group companies, the Company is not exposed to any third party counter-party interest rate risks

24. Financial risk management (continued)

a) Market Risk (continued)

i) Cashflow and Interest rate risk (continued)

The Company holds no other significant interest-bearing assets and liabilities and the remaining Company expenses and operating cash flows are substantially independent of changes in interest rates

Since the Company has minimum risk, sensitivity analysis has not been performed by the Company Sensitivity analysis has been performed at the CS Group level

ii) Foreign exchange risk

The Company is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the USD denominated bank overdraft amounting to US$21,302 as at 31 December 2011 (2010 bank overdraft of US$21,011) The Company takes on exposure to the effects of fluctuations in the prevailing foreign currency exchange rates on its financial position and cash flows

Foreign exchange risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the entity's functional currency Credit Suisse Group Treasury is responsible for managing the net position in each foreign currency by, where appropriate using external forward currency contracts or other suitable transactions

b) Credit risk

The Company is exposed to credit risk from other Credit Suisse group companies Cash transactions are limited to fellow group companies The carrying value of amounts due from related companies represents the maximum credit exposure of the Company to counterparties The Company has policies that limit the amount of credit exposure to any financial institution

There were no significant concentrations of credit risk by country or by industry other than the disclosures produced in Note 21 Related party transactions

There are no amounts due from related companies which are past due but not impaired

Distribution of loans and receivables neither past due nor impaired:	**Banks**		**Customer**	
	2011	**2010**	**2011**	**2010**
	£	**£**	**£**	**£**
AAA	-	-	-	-
AA+ to AA-	-	-	-	-
A+ to A-	4,257,267	3,213,268	6,548	90,227
BBB+ to BBB-	-	-	-	-
BB+ to BB-	-	-	-	-
B+ and below	-	-	-	-
Total neither past due nor impaired	**4,257,267**	**3,213,268**	**6,548**	**90,227**

The Company's other receivables have not been rated by any rating agency

24. Financial risk management (continued)

c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to meet requirements as they fall due

Group Treasury manages the day-to-day liquidity position of Credit Suisse as a group The Company is managed within this framework and receives intercompany funding

The following table sets out details of the remaining contractual maturity for financial liabilities

	On demand	Due up to 1 year	Due after 1 year	Total
	£	£	£	£
Year 2011				
Bank overdraft	13,802	-	-	13,802
Borrowings	-	-	4,647,000	4,647,000
Amount due to related companies	148,834	151,501	-	300,335
Other liabilities	3,044	-	-	3,044
Total financial liabilities	**165,680**	**151,501**	**4,647,000**	**4,964,181**
Year 2010				
Bank overdraft	13,552	-	-	13,552
Borrowings	-	-	4,647,000	4,647,000
Amount due to related companies	273,890	71,423	-	345,313
Other liabilities	149,761	-	-	149,761
Total financial liabilities	**437,203**	**71,423**	**4,647,000**	**5,155,626**

d) Corporate asset and liability management

Credit Suisse Group Treasury ("Credit Suisse") also oversees corporate policy with respect to interest rate and foreign exchange exposure, as well as a range of other policy areas including debt maturity profile, internal and external capitalisation and intercompany funding Credit Suisse minimises interest rate and foreign currency exposures from a corporate perspective

25. Subsequent events

On 21 March 2012, the Government announced that the corporation tax rate applicable from 1 April 2012 would be 24% and that there will be further proposed reductions in the UK corporation tax rate by 1% per annum to 22% by 1 April 2014 The reduction to 24% was substantively enacted on 26 March 2012 and the reduction to 23% was substantively enacted on 3 July 2012

There were no other subsequent events that require disclosure as at the date of this report