

CREDIT SUISSE FIRST BOSTON
CANARY WHARF HEALTH CLUB LIMITED

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012

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CREDIT SUISSE FIRST BOSTON CANARY WHARF HEALTH CLUB LIMITED

BOARD OF DIRECTORS

Stuart Beety	Director
Simon E Foster	Director
Paul E Hare	Director

COMPANY SECRETARY

Paul E Hare	Secretary
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CREDIT SUISSE FIRST BOSTON CANARY WHARF HEALTH CLUB LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2012

The directors present their report and the financial statements for the year ended 31 December 2012

International Financial Reporting Standards

The financial statements of Credit Suisse First Boston Canary Wharf Health Club Limited (the "Company") for 2012 have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted for use in the European Union (EU)

The financial statements were authorised for issue by the directors on 4 September 2013

Principal activities and business review

The Company is domiciled in United Kingdom. The principal activity of the Company was to carry out the business of a sports, health and fitness club.

During 2011, the health club operations were discontinued and the non-current assets were transferred to Credit Suisse International.

Going concern

The directors intend to liquidate the Company following the receipt of clearance from the UK tax authorities, therefore, the financials have not been prepared on a going concern basis. The effect of this is explained in Note 2.

Performance

The loss for the year was £ 32,200 (2011: loss of £ 602,688).

Given the Company's dormant status, 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.

Share capital

On 13 September 2012, the Company issued additional 580,000 ordinary shares of £1 each to Credit Suisse Investment Holdings (UK) (2011: £ Nil).

Dividends

No dividends were paid or are proposed for the year ended 31 December 2012 (2011: £ Nil).

Principal risks and uncertainties

The Company's financial risk management objectives and policies and the exposure of the Company to market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk are outlined in Note 24 to the financial statements.

CREDIT SUISSE FIRST BOSTON CANARY WHARF HEALTH CLUB LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2012

Directors

The names of the directors as at the date of this report are set out on page 2. Changes in the directorate since 31 December 2011, and up to the date of this report are as follows:

Resignation	Stuart C. Eden	18 June 2013
Appointment	Stuart Beety	18 June 2013

None of the directors who held office at the end of the financial year were beneficially interested, at any time during the year, in the shares of the Company.

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

Auditors

For the year ended 31 December 2012, the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. The members have not required the Company to obtain an audit in accordance with section 476 of the Companies Act 2006.

Prompt payment code

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

Subsequent events

On 12 March 2013, it was resolved that:

- Capital contribution reserves of £ 9,000,000 be adjusted against accumulated losses,
- Share capital be reduced to the extent of the accumulated losses of £ 574,332, and
- Share capital to the extent of £ 5,767 be returned to the parent entity Credit Suisse Investment Holdings (UK).

In the same meeting, the Board has issued a solvency statement under section 643 of the Companies Act 2006 made for the purposes of section 642 of the Act, stating its intention to commence liquidation of the Company within 12 months of the said statement.

The Finance Act 2013, which passed into law on 17 July 2013, included a further reduction in the UK corporation tax rate from 23% to 21% with effect from 1 April 2014 and from 21% to 20% with effect from 1 April 2015.

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
4 September 2013

Company Registration Number 02956794

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
- not prepare the financial statements on a going concern basis as they intend to liquidate the Company following the receipt of clearance from the UK tax authorities.

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.



Simon E. Foster
Director

CREDIT SUISSE FIRST BOSTON CANARY WHARF HEALTH CLUB LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2012

	Note	2012 £	2011 £
Revenue	4	-	-
Administrative expenses	5	(2,254)	(12,820)
Loss on ordinary activities before interest		(2,254)	(12,820)
Interest income	6	17,039	16,600
Finance expenses	7	(66,985)	(80,438)
Operating loss before tax		(52,200)	(76,658)
Income tax benefit on ordinary activities	8	2,000	20,312
Loss from ordinary activities		(50,200)	(56,346)
Discontinued operations	20	18,000	(546,342)
Loss for the year		(32,200)	(602,688)

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 10 to 23 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 2012

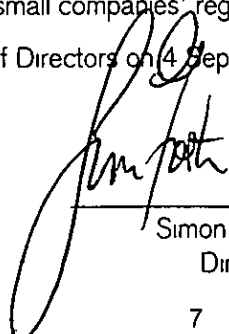
	Note	2012 £	2011 £
ASSETS			
Non-current assets			
Property, plant and equipment	9	-	-
Total non-current assets		-	-
Current assets			
Cash and cash equivalents	10	5,768	4,255,640
Amounts due from related companies	11	-	8,175
Other receivables		-	158,334
Total current assets		5,768	4,422,149
Total assets		5,768	4,422,149
LIABILITIES			
Non-current liabilities			
Deferred tax	12	-	-
Borrowings	13	-	4,647,000
Total non-current liabilities		-	4,647,000
Current liabilities			
Amounts due to related companies	14	-	300,335
Bank overdraft	15	-	13,802
Other liabilities	16	-	3,044
Total current liabilities		-	317,181
Total liabilities		-	4,964,181
SHAREHOLDERS' EQUITY			
Share capital	17	580,100	100
Capital contribution reserve	18	9,000,000	9,000,000
Accumulated losses		(9,574,332)	(9,542,132)
Total shareholders' equity		5,768	(542,032)
Total shareholders' equity and liabilities		5,768	4,422,149

The notes on pages 10 to 23 form an integral part of these financial statements

For the year ended 31 December 2012

- 1 The company is exempt from the requirements relating to preparing audited accounts in accordance with section 477 of the Companies Act 2006
- 2 The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006
- 3 The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts
- 4 These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime

Approved by the Board of Directors on 4 September 2013 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 2012

	Share capital	Capital contribution reserve	Accumulated losses	Total
	£	£	£	£
Balance at 1 January 2012	100	9,000,000	(9,542,132)	(542,032)
Loss for the year	-	-	(32,200)	(32,200)
Total recognised expense for the year	-	-	(32,200)	(32,200)
Share capital issued during the year	580,000	-	-	580,000
Balance at 31 December 2012	580,100	9,000,000	(9,574,332)	5,768

	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 expense for the year	-	-	(602,688)	(602,688)
Balance at 31 December 2011	100	9,000,000	(9,542,132)	(542,032)

The notes on pages 10 to 23 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 2012

	2012 £	2011 £
Cash flow from operating activities		
Loss before tax for the year [inclusive of loss from discontinued operations before tax (refer note 20)]	(52,200)	(788,724)
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
Net interest expense	49,946	63,838
Unrealised foreign exchange (gain)/loss	(423)	513
Operating loss before working capital changes	(2,677)	(393,180)
Net decrease in operating assets		
Amounts due from related companies and other receivables	158,351	3,217,019
Net decrease in operating liabilities		
Amounts due to related companies and other liabilities	(302,618)	(191,834)
Cash (used in)/ generated from operations	(146,944)	2,632,005
Amount received on sale of assets	-	1,453,519
Net payment received from group company	-	176,196
Group relief received	26,549	-
Interest received	18,648	16,002
Interest paid	(67,746)	(80,299)
Net cash (used in)/ generated from operating activities	(169,493)	4,197,423
Cash flow from financing activities		
Share capital issued	580,000	-
Repayment of subordinated debt	(4,647,000)	-
Net cash used in financing activities	(4,067,000)	-
Net (decrease)/increase in cash and cash equivalents	(4,236,493)	4,197,423
Effects of exchange rate changes on the balance of cash held/ bank overdraft payable in foreign currency	423	(71)
Cash and cash equivalents at beginning of year	4,241,838	44,486
Cash and cash equivalents at end of year	5,768	4,241,838

Cash and cash equivalents are analysed as follows

	Note	2012 £	2011 £
Cash and cash equivalents	10	5,768	4,255,640
Bank overdraft	15	-	(13,802)
Total		5,768	4,241,838

The notes on pages 10 to 23 form an integral part of these financial statements

CREDIT SUISSE FIRST BOSTON CANARY WHARF HEALTH CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

1. General

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

2. Going concern

In previous years, the financial statements have been prepared on a going concern basis. However, on 12th March 2013, the directors have taken a decision to commence winding up of the Company within 12 months of the said date. The financial statements for the year ended 31 December 2012 have not been prepared on a going concern basis. No adjustments were necessary to the amounts at which the remaining net assets are included in these financial statements.

3. Significant accounting policies

a) Statement of compliance

The Company's financial statements have been approved by the directors in accordance with International Financial Reporting Standards as adopted by the EU ("adopted IFRSs") and are in compliance with Companies Act 2006.

b) Basis of preparation

The financial statements are presented in Great British Pounds (£), which is the functional currency of the Company. They are prepared on a liquidation 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 amendment in the current year:

- Amendments to IFRS 7, "Financial Instruments-Disclosures" – Transfers of Financial Assets. The amendments improved the understanding of transfer transactions of financial assets (for example, securitisations) 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 transfer transactions are undertaken around the end of a reporting period. The amendments were effective for annual periods beginning on or after 1 July 2011. There has been no impact to the financial statements as a result of the adoption of the above revised amendment.

CREDIT SUISSE FIRST BOSTON CANARY WHARF HEALTH CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

3. Significant accounting policies (continued)

b) Basis of preparation (continued)

Except for the above changes, the accounting policies set out below have been applied consistently to all periods presented in these financial statements

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.

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.

CREDIT SUISSE FIRST BOSTON CANARY WHARF HEALTH CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

3. Significant accounting policies (continued)

f) Income tax (continued)

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.

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. 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) Operating leases

The Company had entered into 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.

i) Interest income

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

j) 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.

k) 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.

CREDIT SUISSE FIRST BOSTON CANARY WHARF HEALTH CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

3. Significant accounting policies (continued)

k) Critical accounting estimates and judgements in applying accounting policies (continued)

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

	2012	2011
	£	£
Membership fees	-	-
Service fee received	-	-
Total	-	-

The Company did not perform any business operations in 2012. The entire revenue for 2011 relates to the discontinued operation as disclosed in Note 20.

5. Administrative expenses

	2012	2011
	£	£
Other general and administrative expenses	2,254	12,820
Total	2,254	12,820

6. Interest income

	2012	2011
	£	£
Interest from related company	17,039	16,600
Total	17,039	16,600

7 Finance expenses

	2012	2011
	£	£
Interest paid on loans with related company	66,985	80,438
Total	66,985	80,438

CREDIT SUISSE FIRST BOSTON CANARY WHARF HEALTH CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

8. Income tax benefit

a) Components of tax benefit

	2012 £	2011 £
Current tax		
Current tax on losses for the period	-	(121,214)
Adjustments in respect of previous periods	(20,000)	-
Total current tax	(20,000)	(121,214)
	2012 £	2011 £
Deferred tax		
Origination and reversal of temporary differences	-	(62,632)
Effect of change in tax rate	-	(2,190)
Total deferred tax	-	(64,822)
Income tax benefit	(20,000)	(186,036)

The UK corporation tax rate reduced from 26% to 24% effective from 1 April 2012

b) An explanation of the relationship between tax credit and the accounting loss

The current tax for the year can be reconciled to the standard rate of corporation tax in the UK of 24.5% (2011: 26.5%) as follows

	2012 £	2011 £
Loss before tax		
[inclusive of loss from discontinued operations before tax (refer note 20)]	(52,200)	(788,724)
Loss before tax multiplied by the UK statutory rate of corporation tax at the rate of 24.5% (2011: 26.5%)	(12,790)	(208,958)
Group relief surrendered for nil consideration	12,790	-
Adjustments in respect of previous periods	(20,000)	-
Tax effect of expenses that are non-deductible in determining taxable profit	-	26,824
Other permanent differences	-	(1,712)
Effect of change in tax rate	-	(2,190)
Income tax benefit	(20,000)	(186,036)

CREDIT SUISSE FIRST BOSTON CANARY WHARF HEALTH CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

9. Property, plant and equipment

	Leasehold improvements	Office equipment	Furniture & fittings	Total
	£	£	£	£
Cost as at 1 January 2012	-	-	-	-
Additions	-	-	-	-
Disposals	-	-	-	-
Cost as at 31 December 2012	-	-	-	-
Depreciation as at 1 January 2012	-	-	-	-
Charge for the year	-	-	-	-
Disposals/ write off during the year	-	-	-	-
Depreciation as at 31 December 2012	-	-	-	-
Net book value as at 31 December 2012	-	-	-	-
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	-	-	-	-
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	-	-	-	-
Net book value as at 31 December 2011	-	-	-	-

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

10. Cash and cash equivalents

	2012 £	2011 £
Cash at bank and in hand	5,768	4,255,640
Total	5,768	4,255,640

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.

CREDIT SUISSE FIRST BOSTON CANARY WHARF HEALTH CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

11. Amounts due from related companies

	2012	2011
	£	£
Amounts due from related companies	-	1,627
Group relief receivable	-	6,548
Total	-	8,175

Fair value of amounts due from related companies for 2011 approximates to book value due to the short-term nature of these transactions. The effective interest rate on amounts due from related companies for 2011 was 0.60%. In anticipation of the liquidation of the Company, the balances due were settled in 2012.

12. Deferred tax

Deferred taxes are calculated on all temporary differences under the liability method using an effective tax rate of 23% (2011 25%).

Deferred tax liabilities

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

	2012	2011
	£	£
At 1 January	-	93,058
Benefit to income for the year	-	(62,632)
Transfer of deferred tax liability to group company	-	(28,236)
Effect of change in tax rate	-	(2,190)
At 31 December	-	-

On 21 March 2012, the UK Government announced that the corporation tax rate applicable from 1 April 2012 would be 24%. This change was substantively enacted on 26 March 2012.

The Finance Act 2012, which passed into law on 17 July 2012, included a further reduction in the UK corporation tax rate from 24% to 23% with effect from 1 April 2013.

In addition, the Finance Act 2013, which passed into law on 17 July 2013, included a further reduction in the UK corporation tax rate from 23% to 21% with effect from 1 April 2014 and from 21% to 20% with effect from 1 April 2015.

13. Borrowings

	2012	2011
	£	£
Borrowings from related companies	-	4,647,000
Total	-	4,647,000

The carrying amounts of the Company's borrowings for 2011 were denominated in GBP and were with a related company, Credit Suisse First Boston Finance B.V. The loan consisted of a revolving credit facility with a three month rollover. The carrying values of borrowings approximated their fair values as they were re-priced on a 3 month period on a LIBOR plus spread basis. The effective interest rate on the loan for 2011 was 1.93%. This loan had an average re-price period of 91 days.

The borrowing was repaid in October 2012.

CREDIT SUISSE FIRST BOSTON CANARY WHARF HEALTH CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

14. Amounts due to related companies

	2012	2011
	£	£
Amounts due to related companies	-	300,335
Total	-	300,335

For 2011, the fair value of amounts due to related companies approximated book value due to the short-term nature of these transactions. These were non interest-bearing and were settled in 2012.

15. Bank overdraft

	2012	2011
	£	£
Bank overdraft	-	13,802
Total	-	13,802

The fair value of bank overdrafts for 2011 equals to book value due to their short-term nature.

16. Other liabilities

	2012	2011
	£	£
Accrual for audit fee	-	3,044
Total	-	3,044

17 Share capital

	2012	2011
	£	£
Authorised equity		
Equity		
10,000,000 Ordinary shares of £1 each	10,000,000	10,000,000
Allotted, called up and fully paid		
580,100 Ordinary shares of £1 each	580,100	100

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

On 13 September 2012, the Company issued additional 580,000 ordinary shares of £1 each to Credit Suisse Investment Holdings (UK) (2011: £ 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 meet the outstanding obligations prior to liquidation.

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 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.

CREDIT SUISSE FIRST BOSTON CANARY WHARF HEALTH CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

18. Capital contribution reserve

	2012 £	2011 £
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

19. Guarantees and commitments

Lease commitments

On October 24, 2011, the Company had assigned the under lease to Credit Suisse International. Hence there are no future lease commitments

Rentals under operating leases charged as an expense in the statement of comprehensive income for the current year are £ Nil (2011 £566,248)

20. Discontinued operations

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

The transfer of the non-current assets was effected at an amount of £1,453,519

	2012 £	2011 £
Results of discontinued operations		
Revenue	-	1,146,615
Expense	-	(1,858,681)
Loss for the period from discontinued operations, before tax	-	(712,066)
Income tax benefit	18,000	165,724
Profit/(Loss) for the period from discontinued operations	18,000	(546,342)

	2012 £	2011 £
Cash flows from discontinued operations		
Net cash used in operating activities	-	(307,506)
Proceeds from transfer of assets	-	1,453,519
Net cash flows generated from/(used in) discontinued operations	-	1,146,013

CREDIT SUISSE FIRST BOSTON CANARY WHARF HEALTH CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

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 consolidated financial statements 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 Credit Suisse Group AG, Paradeplatz, P O Box 1, 8070 Zurich.

In 2011, the Company had significant related party balances with subsidiaries and affiliates of Credit Suisse Group AG. The Company entered into the above transactions in the ordinary course of business and these transactions were on market terms that could be obtained from unrelated parties.

In the normal course of its business, the Company received 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.

a) Related party assets and liabilities

	2012	2012	2011	2011
	Parent	Fellow group	Parent	Fellow group
	company	companies	Company	companies
	£	£	£	£
Current assets				
Cash and cash equivalents	-	5,768	-	4,255,640
Amounts due from related companies	-	-	-	1,627
Group relief receivable	-	-	-	6,548
Total		5,768	-	4,263,815
Non-current liabilities				
Borrowings	-	-	-	4,647,000
Current liabilities				
Amounts due to related companies	-	-	-	300,335
Bank overdraft	-	-	-	13,802
Total	-	-	-	4,961,137

b) Related party revenue and expenses

	2012	2012	2011	2011
	Parent	Fellow group	Parent	Fellow group
	company	Companies	Company	companies
	£	£	£	£
Interest income	-	17,039	-	16,600
Total	-	17,039	-	16,600
Administrative expenses from discontinued operations	-	-	-	1,151,251
Finance expenses	-	66,985	-	80,438
Total	-	66,985	-	1,231,689

CREDIT SUISSE FIRST BOSTON CANARY WHARF HEALTH CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

21. Related party transactions (continued)

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 (2011 £ 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 (2011 £ 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 (2011 Nil). The Company received 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.

CREDIT SUISSE FIRST BOSTON CANARY WHARF HEALTH CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

24. Financial risk management

Risk management policy

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 of the Company is carried out by the Central Group Treasury department of Credit Suisse Group under policies approved by its Board of Directors. Group Treasury identifies, evaluates and hedges financial risks. 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.

The Company had exposure to the following financial risks from its use of financial instruments:

- Market risk
- Credit risk
- Liquidity risk

The interaction between qualitative and quantitative disclosures better enables users to evaluate an entity's exposure to risk arising from financial instruments.

a) Market risk

Market risk is the risk of loss arising from adverse changes in interest rates, foreign currency exchange rates, equity prices, commodity prices and other relevant market parameters, such as market volatilities.

(i) Interest rate risk

As of 31 December 2012, the Company is not subject to any interest rate risk.

Upto 2011, the Company had significant interest bearing financial assets and liabilities in the form of amounts due to and from related companies. Interest rates on amounts due to and from related companies typically resets within 3 months which minimises the risk to changes in interest rates.

The Company held 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 had minimum risk, sensitivity analysis had not been performed by the Company. Sensitivity analysis has been performed at the CS Group level.

(ii) Foreign exchange risk

As of 31 December 2012, the Company is not subject to any foreign exchange risk.

In 2011, the Company was exposed to foreign exchange risk arising from USD exposures, primarily with respect to bank overdraft amounting to US\$ 21,302. 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.

CREDIT SUISSE FIRST BOSTON CANARY WHARF HEALTH CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

24. Financial risk management (continued)

b) Credit risk

The Company was exposed to credit risk from other Credit Suisse 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. Transactions are limited to fellow group companies and high credit quality financial institutions. There are no amounts due from related companies which are past due but not impaired.

Counterparty exposure by rating

	Banks		Customers	
	2012	2011	2012	2011
	£	£	£	£
AAA	-	-	-	-
AA+ to AA-	-	-	-	-
A+ to A-	5,768	4,257,267	-	6,548
BBB+ to BBB-	-	-	-	-
BB+ to BB-	-	-	-	-
B+ and below	-	-	-	-
Total neither past due nor impaired	5,768	4,257,267	-	6,548

The Company's other receivables as at 31 December 2011 have not been rated by any rating agency

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.

Since the Company has no outstanding financial liabilities as on 31 December 2012, the Company is not subject to any liquidity risk.

The following table sets out details of the remaining contractual maturity for financial liabilities as on 31 December 2011.

	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

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

25. Subsequent events

On 12 March 2013, it was resolved that

- a) Capital contribution reserves of £ 9,000,000 be adjusted against accumulated losses,
- b) Share capital be reduced to the extent of accumulated losses of £ 574,332, and
- c) Share capital to the extent of £ 5,767 be returned to the parent entity Credit Suisse Investment Holdings (UK)

In the same meeting, the Board has issued a solvency statement under section 643 of the Companies Act 2006 made for the purposes of section 642 of the Act, stating its intention to commence liquidation of the Company within 12 months of the said statement

The Finance Act 2013, which passed into law on 17 July 2013, included a further reduction in the UK corporation tax rate from 23% to 21% with effect from 1 April 2014 and from 21% to 20% with effect from 1 April 2015

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