

REGISTERED NUMBER: 03391036 (England and Wales)

REPORT OF THE DIRECTOR AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010
FOR
SEAHAM HALL LIMITED

TUESDAY



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15/05/2012
COMPANIES HOUSE

SEAHAM HALL LIMITED (REGISTERED NUMBER: 03391036)

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for the Year Ended 31 DECEMBER 2010

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SEAHAM HALL LIMITED

COMPANY INFORMATION

for the Year Ended 31 DECEMBER 2010

DIRECTOR:	D Duggins
SECRETARY:	Blakelaw Secretaries Limited
REGISTERED OFFICE:	New Kings Court Tollgate Chandler's Ford Eastleigh Hampshire SO53 3LG
REGISTERED NUMBER:	03391036 (England and Wales)
AUDITORS:	Burnside Chartered Accountants and Statutory Auditor 61 Queen Square Bristol BS1 4JZ

SEAHAM HALL LIMITED (REGISTERED NUMBER: 03391036)

REPORT OF THE DIRECTOR
for the Year Ended 31 DECEMBER 2010

The director presents his report with the financial statements of the company for the year ended 31 December 2010

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of a hotel and spa operator

On 1 January 2010 the trade and assets of The Serenity Spa Limited, a fellow group company which operates a spa from Seaham Hall, were transferred into the company and are included in the results for the year

REVIEW OF BUSINESS

There was a loss after taxation for the year amounting to £1,339,190 (2009 - £832,607 as restated) The director does not recommend the payment of a dividend

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2010

EVENTS SINCE THE END OF THE YEAR

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

DIRECTOR

A Davis held office from 1 January 2010 throughout the year, but was removed as director on 20 April 2011 following the appointment of administrators to the parent undertaking, von Essen Hotels Limited

D Duggins was appointed as director on 20 April 2011

SEAHAM HALL LIMITED (REGISTERED NUMBER. 03391036)

REPORT OF THE DIRECTOR
for the Year Ended 31 DECEMBER 2010

FINANCIAL INSTRUMENTS

The company uses various financial instruments. These include loans to and from group undertakings, cash, loans and various items, such as trade debtors and trade creditors, which arise directly from its operations. The main purpose of these financial instruments is to raise finance for the company's operations.

The existence of these financial instruments exposes the company to a number of financial risks, the principal ones of which are liquidity risk and credit risk.

Interest rate risk

The company finances its operations through a mixture of retained profits and bank borrowings. The company's exposure to interest rate fluctuations on its borrowings are managed through a group treasury function that ensures that competitive rates are obtained and matched to the company's long term funding requirements.

Liquidity risk

The company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable need and to invest cash assets safely and profitably. The company finances its operations primarily from retained profits and bank borrowings.

Credit risk

The company's principal credit risk relates to the recovery of trade debtors, although it is not considered significant due to the nature of the business. Amounts owing from credit card companies represent a proportion of the group's trade debtors. However, the director considers credit risk to be limited due to the terms of contract the group has with credit card companies. In order to manage credit risk relating to other trade debtors, subsidiary credit controllers and directors review the aged debtors and collection history on a regular basis.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is 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 director is required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

SEAHAM HALL LIMITED (REGISTERED NUMBER: 03391036)

REPORT OF THE DIRECTOR
for the Year Ended 31 DECEMBER 2010

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

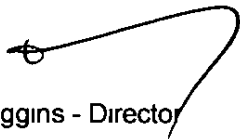
So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information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

AUDITORS

Subsequent to the year end, Grant Thornton UK LLP resigned as auditor and were replaced by Burnside

The auditors, Burnside, will be proposed for re-appointment at the forthcoming Annual General Meeting

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, consisting of a stylized 'D' followed by a long, sweeping horizontal line that curves upwards at the end.

D Duggins - Director

15 May 2012

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SEAHAM HALL LIMITED

We have audited the financial statements of Seaham Hall Limited for the year ended 31 December 2010 which comprise the profit and loss account, the statement of total recognised gains and losses, the balance sheet, the cash flow statement and the related notes one to twenty one. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of director and auditors

As explained more fully in the Statement of Director's Responsibilities set out on page three, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the director, and the overall presentation of the financial statements.

Basis for qualified opinion on financial statements

As disclosed in note seven to the financial statements, the comparative profit before tax has been noted to have been subject to a material misstatement in the year ended 31 December 2009. It has been identified that similar misstatements were made in statutory financial statements prior to this, but it has not been practicable to determine the full extent of the accumulated misstatement as at 1 January 2009 since it has not been possible to confirm how many years preceding this period were subject to misstatement or the quantum of the misstatements. The profit and loss reserves and inter-company debtors are overstated, and therefore net assets are overstated, at this date and all subsequent dates.

Qualified opinion on financial statements

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, and give a true and fair view of, the financial position of Seaham Hall Limited as at 31 December 2010, and of its financial performance for the year then ended in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Emphasis of matter

We draw attention to the disclosures made in note one to the financial statements which describe the uncertainty related to the director's basis of conclusion for the company's going concern status. Our opinion is not qualified in respect of this matter.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
SEAHAM HALL LIMITED**

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Director 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

In respect solely of the limitation on our work relating to inter-company debtors and brought forward reserves, as described above

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit, and
- we were unable to determine whether adequate accounting records had been kept

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of director's remuneration specified by law are not made



Steven Coombe (Senior Statutory Auditor)
for and on behalf of Burnside
Chartered Accountants
and Statutory Auditor
61 Queen Square
Bristol
BS1 4JZ

15 May 2012

SEAHAM HALL LIMITED (REGISTERED NUMBER: 03391036)**PROFIT AND LOSS ACCOUNT
for the Year Ended 31 DECEMBER 2010**

		2010		2009 as restated	
	Notes	£	£	£	£
TURNOVER			3,758,868		1,994,525
Continuing operations		2,389,693		1,994,525	
Acquisitions		1,369,175		-	
		<u>3,758,868</u>		<u>1,994,525</u>	
Cost of sales	2		923,513		596,187
GROSS PROFIT	2		2,835,355		1,398,338
Net operating expenses	2		4,146,322		2,226,788
OPERATING LOSS	4		(1,310,967)		(828,450)
Continuing operations		(990,843)		(828,450)	
Acquisitions		(320,124)		-	
		<u>(1,310,967)</u>		<u>(828,450)</u>	
Interest payable and similar charges	5		28,223		4,157
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION			(1,339,190)		(832,607)
Tax on loss on ordinary activities	6		-		-
LOSS FOR THE FINANCIAL YEAR			<u>(1,339,190)</u>		<u>(832,607)</u>

The notes form part of these financial statements

SEAHAM HALL LIMITED (REGISTERED NUMBER: 03391036)

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
for the Year Ended 31 DECEMBER 2010

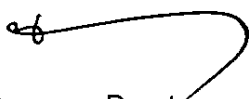
	2010	2009 as restated £
	£	
LOSS FOR THE FINANCIAL YEAR	(1,339,190)	(832,607)
	<hr/>	<hr/>
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	(1,339,190)	(832,607)
		<hr/>
Prior year adjustment	Note 7	
	(487,816)	
	<hr/>	
TOTAL GAINS AND LOSSES RECOGNISED SINCE LAST ANNUAL REPORT	(1,827,006)	
	<hr/>	

The notes form part of these financial statements

SEAHAM HALL LIMITED (REGISTERED NUMBER: 03391036)**BALANCE SHEET**
31 DECEMBER 2010

		2010		2009 as restated	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	8		19,567		25,344
CURRENT ASSETS					
Stocks	9	78,279		61,585	
Debtors	10	3,113,169		3,891,821	
Cash at bank and in hand		2,330		2,050	
		3,193,778		3,955,456	
CREDITORS					
Amounts falling due within one year	11	2,480,767		1,909,032	
NET CURRENT ASSETS			713,011		2,046,424
TOTAL ASSETS LESS CURRENT LIABILITIES			732,578		2,071,768
CAPITAL AND RESERVES					
Called up share capital	13		5,000,000		5,000,000
Profit and loss account	14		(4,267,422)		(2,928,232)
SHAREHOLDERS' FUNDS	20		732,578		2,071,768

The financial statements were approved by the director on 15 May 2012 and were signed by



D Duggins - Director

The notes form part of these financial statements

SEAHAM HALL LIMITED (REGISTERED NUMBER: 03391036)**CASH FLOW STATEMENT
for the Year Ended 31 DECEMBER 2010**

		2010	2009 as restated £
	Notes	£	
Net cash inflow/(outflow) from operating activities	1	960,281	(189,086)
Returns on investments and servicing of finance	2	(28,223)	(4,157)
Capital expenditure	2	-	(9,501)
Acquisitions and disposals	2	(1,105,820)	-
Decrease in cash in the period		<u>(173,762)</u>	<u>(202,744)</u>
<hr/>			
Reconciliation of net cash flow to movement in net debt	3		
Decrease in cash in the period		<u>(173,762)</u>	<u>(202,744)</u>
Change in net debt resulting from cash flows		<u>(173,762)</u>	<u>(202,744)</u>
Movement in net debt in the period		<u>(173,762)</u>	<u>(202,744)</u>
Net debt at 1 January		<u>(490,879)</u>	<u>(288,135)</u>
Net debt at 31 December		<u>(664,641)</u>	<u>(490,879)</u>

The notes form part of these financial statements

SEAHAM HALL LIMITED (REGISTERED NUMBER: 03391036)

NOTES TO THE CASH FLOW STATEMENT
for the Year Ended 31 DECEMBER 2010

1 RECONCILIATION OF OPERATING LOSS TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES

	2010	2009 as restated
	£	£
Operating loss	(1,310,967)	(828,450)
Depreciation charges	7,117	5,987
Decrease/(Increase) in stocks	4,612	(14,068)
Decrease/(Increase) in debtors	2,535,348	(25,855)
(Decrease)/Increase in creditors	(275,829)	673,300
Net cash inflow/(outflow) from operating activities	960,281	(189,086)

2 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2010	2009 as restated
	£	£
Returns on investments and servicing of finance		
Interest paid	(28,223)	(4,157)
Net cash outflow for returns on investments and servicing of finance	(28,223)	(4,157)
Capital expenditure		
Purchase of tangible fixed assets	-	(9,501)
Net cash outflow for capital expenditure	-	(9,501)
Acquisitions and disposals		
Net overdraft acquired with business	(1,105,820)	-
Net cash outflow for acquisitions and disposals	(1,105,820)	-

The notes form part of these financial statements

SEAHAM HALL LIMITED (REGISTERED NUMBER: 03391036)

NOTES TO THE CASH FLOW STATEMENT
for the Year Ended 31 DECEMBER 2010

3 ANALYSIS OF CHANGES IN NET DEBT

	At 1 1 10 £	Cash flow £	At 31 12 10 £
Net cash			
Cash at bank and in hand	2,050	280	2,330
Bank overdraft	(492,929)	(174,042)	(666,971)
	<u>(490,879)</u>	<u>(173,762)</u>	<u>(664,641)</u>
 Total	 <u>(490,879)</u>	 <u>(173,762)</u>	 <u>(664,641)</u>

4 ACQUISITION OF BUSINESS

As disclosed in note twenty, cash of £250 and an overdraft of £1,106,070 were acquired with the trade and assets of The Serenity Spa Limited on 1 January 2010

The notes form part of these financial statements

SEAHAM HALL LIMITED (REGISTERED NUMBER: 03391036)

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 DECEMBER 2010

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention

Turnover

Turnover represents amounts receivable for goods and services provided in the year, excluding value added tax and trade discounts

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life

Fixtures, fittings & equipment - 10% - 25% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. No provision is made for deferred tax assets unless it is considered more likely than not that there will be sufficient taxable profits from which the future reversal of the underlying timing difference may be deducted. Deferred tax balances are not discounted.

SEAHAM HALL LIMITED (REGISTERED NUMBER: 03391036)

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 DECEMBER 2010

1 ACCOUNTING POLICIES - continued

Going concern

At 31 December 2010 the company had net assets of £732,578 and incurred a loss for the year to 31 December 2010 of £1,339,190. The immediate parent undertaking went into administration on 20 April 2011 and the administrators sought to sell the property and its accompanying business as a going concern.

The company has not been put into administration, but remains party to a cross guarantee to the group's principal lenders, Lloyds TSB Bank Plc, for the group debt which is noted to significantly exceed the value of the assets held within the group.

The company sold its trade and assets on 26 March 2012, and received additional funds from its immediate parent undertaking at this date which has provided adequate working capital to allow it to discharge its liabilities to third parties as they fall due.

The company remains reliant upon the support of other group companies not to enforce repayment of monies owed to them, which at 31 December 2010 totals £774,957, and also to the group's bank to not make demand under the group cross guarantee for monies owed to it, except to the extent that funds allow. The continued provision of this support has not been confirmed, and whilst there is no evidence available to indicate it will be withdrawn, this requirement represents a material uncertainty that may cast significant doubt upon the company's ability to continue as a going concern.

Nevertheless, after making enquiries and considering the uncertainties described above, the director has a reasonable expectation that this support will continue to be provided until such a time that the company has discharged all of its liabilities and can be liquidated. For this reason the company continues to adopt the going concern basis of accounting in preparing these financial statements.

2 ANALYSIS OF OPERATIONS

	Continuing £	2010 Acquisitions £	Total £
Cost of sales	<u>760,411</u>	<u>163,102</u>	<u>923,513</u>
Gross profit	<u>1,629,282</u>	<u>1,206,073</u>	<u>2,835,355</u>
Net operating expenses			
Administrative expenses	<u>2,620,125</u>	<u>1,526,197</u>	<u>4,146,322</u>

SEAHAM HALL LIMITED (REGISTERED NUMBER: 03391036)

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 DECEMBER 2010

2 ANALYSIS OF OPERATIONS - continued

	Continuing £	2009 as restated Acquisitions £	Total £
Cost of sales	<u>596,187</u>	<u>-</u>	<u>596,187</u>
Gross profit	<u>1,398,338</u>	<u>-</u>	<u>1,398,338</u>
Net operating expenses			
Administrative expenses	<u>2,226,788</u>	<u>-</u>	<u>2,226,788</u>

3 STAFF COSTS

	2010 £	2009 as restated £
Wages and salaries	1,811,226	1,054,209
Social security costs	129,251	71,218
	<u>1,940,477</u>	<u>1,125,427</u>

The average monthly number of employees during the year was as follows

	2010	2009 as restated
Hotel operations	<u>143</u>	<u>72</u>

4 OPERATING LOSS

The operating loss is stated after charging

	2010 £	2009 as restated £
Depreciation - owned assets	7,117	5,987
Auditors' remuneration	<u>8,000</u>	<u>16,500</u>
Director's remuneration	<u>-</u>	<u>-</u>

SEAHAM HALL LIMITED (REGISTERED NUMBER 03391036)

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 DECEMBER 2010**

5 INTEREST PAYABLE AND SIMILAR CHARGES

	2010	2009 as restated
	£	£
Bank interest	<u>28,223</u>	<u>4,157</u>

6 TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 31 December 2010 nor for the year ended 31 December 2009

Factors affecting the tax charge

The tax assessed for the year is higher than the standard rate of corporation tax in the UK
The difference is explained below

	2010	2009 as restated
	£	£
Loss on ordinary activities before tax	<u>(1,339,190)</u>	<u>(832,607)</u>
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2009 - 28%)	(374,973)	(233,130)
Effects of Depreciation in excess of capital allowances	1,993	65
Other timing differences	70	-
Unused tax losses carried forward	<u>372,910</u>	<u>233,065</u>
Current tax charge	<u>-</u>	<u>-</u>

Factors that may affect future tax charges

At 31 December 2010 the company had tax losses of £9,229,208 carried forward available for offset against future taxable profits

SEAHAM HALL LIMITED (REGISTERED NUMBER: 03391036)

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 DECEMBER 2010

7 PRIOR YEAR ADJUSTMENT

Subsequent to the approval and signing of the prior year financial statements, administrators were appointed to the parent undertaking, von Essen Hotels 2 Limited and the director of the company was removed. It was subsequently discovered that the results for that year were subject to a fundamental misstatement which increased turnover by £300,000 and decreased administrative expenses by £187,816 for the year ended 31 December 2009, and decreased amounts due to group undertakings at this date by £487,816. The correction of these misstatements, through a restatement of these results which are presented as comparatives in the financial statements for the year ended 31 December 2010, has reduced profit before tax and correspondingly has decreased amounts due from group undertakings by £487,816, therefore resulting in a decrease in net assets at 31 December 2009 of the same amount. Taxable losses have been increased accordingly.

8 TANGIBLE FIXED ASSETS

	Fixtures, fittings & equipment £
COST	
At 1 January 2010	33,977
Additions	1,340
	<hr/>
At 31 December 2010	35,317
	<hr/>
DEPRECIATION	
At 1 January 2010	8,633
Charge for year	7,117
	<hr/>
At 31 December 2010	15,750
	<hr/>
NET BOOK VALUE	
At 31 December 2010	19,567
	<hr/>
At 31 December 2009	25,344
	<hr/>

9 STOCKS

	2010	2009 as restated
	£	£
Stocks	78,279	61,585
	<hr/>	<hr/>

SEAHAM HALL LIMITED (REGISTERED NUMBER: 03391036)

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 DECEMBER 2010**

10 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2010	2009 as restated
	£	£
Trade debtors	99,847	113,493
Amounts owed by group undertakings	2,962,675	3,752,636
Prepayments and accrued income	50,647	25,692
	<u>3,113,169</u>	<u>3,891,821</u>

Amounts owed between group companies are repayable on demand, but timing of repayment of this debt is unknown and unlikely to be within one year

11 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2010	2009 as restated
	£	£
Bank overdraft (see note 12)	666,971	492,929
Trade creditors	341,991	507,066
Amounts owed to group undertakings	774,957	700,434
Taxation and social security	64,358	89,836
Other creditors	508,026	77,907
Accruals and deferred income	124,464	40,860
	<u>2,480,767</u>	<u>1,909,032</u>

12 LOANS

An analysis of the maturity of loans is given below

	2010	2009 as restated
	£	£
Amounts falling due within one year or on demand		
Bank overdrafts	<u>666,971</u>	<u>492,929</u>

SEAHAM HALL LIMITED (REGISTERED NUMBER: 03391036)

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 DECEMBER 2010

13 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid Number	Class	Nominal value	2010 £	2009 as restated £
5,000,000	Ordinary	£1	<u>5,000,000</u>	<u>5,000,000</u>

14 RESERVES

	Profit and loss account £
At 1 January 2010	(2,440,416)
Prior year adjustment	<u>(487,816)</u>
	(2,928,232)
Deficit for the year	<u>(1,339,190)</u>
At 31 December 2010	<u>(4,267,422)</u>

15 ULTIMATE PARENT COMPANY

The immediate parent undertaking is von Essen Hotels 2 Limited (in administration) and the ultimate parent undertaking is von Essen Mining and Development Corporation (UK) Limited, both companies being registered in England and Wales

16 CONTINGENT LIABILITIES

The company remains party to a cross guarantee in favour of the group's bankers for the group's total borrowings, with charges over the assets in this company given as part of the overall security to the group's bankers

SEAHAM HALL LIMITED (REGISTERED NUMBER: 03391036)

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 DECEMBER 2010

17 RELATED PARTY DISCLOSURES

During the year to 31 December 2010 the company was charged management charges by von Essen Hotels 1 Limited and rent by its immediate parent undertaking, von Essen Hotels 2 Limited, as set out below

	2010	2009
	£	£
Management charges	295,984	134,421
Rent	960,000	480,000

At the year end, the company owed the following amounts to other group undertakings

	£
von Essen Hotels 1 Limited	723,601
von Essen Hotels 2 Limited	49,000
Culpepper Limited	2,356
	<u>774,957</u>

At the year end, the company was owed the following amounts by other group undertakings

	£
von Essen Hotels Limited	14,652
von Essen Hotels 1 Limited	729,235
von Essen Hotels 2 Limited	1,491,666
The Serenity Spa Limited	727,057
Sharrow Bay	65
	<u>2,962,675</u>

The debtors due to the company by von Essen Hotels 2 Limited and The Serenity Spa Limited (for which the related balance is ultimately due from the parent undertaking) are subject to the overstatement as described in the audit report under the Basis for Qualified Opinion paragraph. The debtors are not considered recoverable as the parent is in administration, but it is not considered practicable to identify the extent to which any provision should be recognised. Accordingly no provision has been made in these financial statements.

Comparative information has not been provided as the company was able to take advantage of the exemption not to disclose transactions with other group undertakings for that year since consolidated financial statements including all group undertakings were prepared for that year.

SEAHAM HALL LIMITED (REGISTERED NUMBER: 03391036)

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 DECEMBER 2010

18 POST BALANCE SHEET EVENTS

On 20 April 2011 von Essen Hotels Limited entered administration and on 12 August 2011 von Essen Hotels 2 Limited, the company's immediate parent undertaking, entered administration

On 26 March 2012 the company sold its trade and assets, and received additional funds from its immediate parent undertaking to provide adequate working capital to allow the company to discharge all of its third party liabilities as they fall due

19 ULTIMATE CONTROLLING PARTY

Throughout the year the ultimate controlling party was Mr A Davis by virtue of his 100% holding of the ultimate parent company's issued share capital

Following the appointment of administrators to von Essen Hotels Limited on 20 April 2011, the administrators are deemed to have ultimate control of the company

20 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2010	2009 as restated
	£	£
Loss for the financial year	(1,339,190)	(832,607)
Net reduction of shareholders' funds	(1,339,190)	(832,607)
Opening shareholders' funds (originally £2,559,584 before prior year adjustment of £(487,816))	2,071,768	2,904,375
Closing shareholders' funds	732,578	2,071,768

SEAHAM HALL LIMITED (REGISTERED NUMBER: 03391036)

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 DECEMBER 2010

21 ACQUISITIONS

On 1 January 2010 the trade and assets of The Serenity Spa Limited, a fellow group undertaking, were transferred into the company at carrying value, as set out below. The fair value of the assets is not considered to be materially different to their carrying values. The consideration payable was met through transfers in inter-company balances.

	£
Tangible fixed assets	1,340
Stock	21,306
Debtors	135,075
Cash	250
Overdraft	(1,106,070)
Creditors	(673,522)
	<hr/>
Net liabilities acquired	(1,621,621)
Consideration paid (increase in amounts due from group undertakings)	(1,621,621)
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