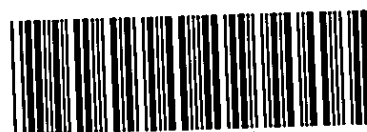


REGISTERED NUMBER: 04410706 (England and Wales)

**Report of the Director and
Financial Statements
for the Year Ended 31 December 2009
for
THE SERENITY SPA LIMITED**

MONDAY



LD2 *LKBJTMS6* 23/08/2010 329
COMPANIES HOUSE

THE SERENITY SPA LIMITED (REGISTERED NUMBER 04410706)

**Contents of the Financial Statements
for the Year Ended 31 December 2009**

	Page
Company Information	1
Report of the Director	2
Report of the Independent Auditors	4
Profit and Loss Account	5
Balance Sheet	6
Notes to the Financial Statements	7

THE SERENITY SPA LIMITED
Company Information
for the Year Ended 31 December 2009

DIRECTOR:	A Davis
SECRETARY:	G D Secretarial Services Limited
REGISTERED OFFICE	Sixth Floor 90 Fetter Lane London EC4A 1PT
REGISTERED NUMBER	04410706 (England and Wales)
AUDITORS:	Grant Thornton UK LLP Statutory Auditor Chartered Accountants Grant Thornton House, Melton Street Euston Square London NW1 2EP

THE SERENITY SPA LIMITED (REGISTERED NUMBER: 04410706)

**Report of the Director
for the Year Ended 31 December 2009**

The director presents his report with the financial statements of the company for the year ended 31 December 2009

PRINCIPAL ACTIVITY

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

REVIEW OF BUSINESS

There was a profit, after taxation, amounting to £501,960 (2008 £57,974) From 1 January 2010, trade was transferred to Seaham Hall Limited The director does not recommend the payment of a dividend

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2009

DIRECTOR

A Davis held office during the whole of the period from 1 January 2009 to the date of this report

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 purposes 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 the 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

THE SERENITY SPA LIMITED (REGISTERED NUMBER: 04410706)

**Report of the Director
for the Year Ended 31 December 2009**

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.

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

The auditors, Grant Thornton UK LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

BY ORDER OF THE BOARD



G D Secretarial Services Limited - Secretary

5 August 2010

**Independent auditor's report to the member of
The Serenity Spa Limited**

We have audited the financial statements of The Serenity Spa Limited for the year ended 31 December 2009 which comprise the profit and loss account, the balance sheet and the related notes. 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 an auditor's 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 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 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 website at www.frc.org.uk/apb/scope/UKNP

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 2009 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

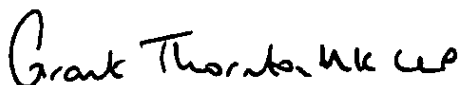
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the 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

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 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; or
- we have not received all the information and explanations we require for our audit.



Charles Hutton-Potts BSc, FCA (Senior Statutory Auditor)
for and on behalf of Grant Thornton UK LLP
Statutory Auditor
Chartered Accountants
London

5 August 2010

THE SERENITY SPA LIMITED (REGISTERED NUMBER: 04410706)

**Profit and Loss Account
for the Year Ended 31 December 2009**

	Notes	2009 £	2008 £
TURNOVER		3,060,832	2,702,388
Cost of sales		431,122	409,838
GROSS PROFIT		2,629,710	2,292,550
Administrative expenses		2,120,795	2,231,213
OPERATING PROFIT	3	508,915	61,337
Interest receivable and similar income		-	473
		508,915	61,810
Interest payable and similar charges	4	6,955	3,836
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		501,960	57,974
Tax on profit on ordinary activities	5	-	-
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		501,960	57,974

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current year or previous year

The notes form part of these financial statements

THE SERENITY SPA LIMITED (REGISTERED NUMBER: 04410706)

**Balance Sheet
31 December 2009**

	Notes	2009 £	£	2008 £	£
FIXED ASSETS					
Tangible assets	6		1,340		-
CURRENT ASSETS					
Stocks	7	21,306		56,155	
Debtors	8	9,583,599		8,280,329	
Cash in hand		250		560	
		<u>9,605,155</u>		<u>8,337,044</u>	
CREDITORS					
Amounts falling due within one year	9	<u>1,989,078</u>		<u>1,221,587</u>	
NET CURRENT ASSETS			<u>7,616,077</u>		<u>7,115,457</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u><u>7,617,417</u></u>		<u><u>7,115,457</u></u>
CAPITAL AND RESERVES					
Called up share capital	10		7,486,000		7,486,000
Profit and loss account	11		<u>131,417</u>		<u>(370,543)</u>
SHAREHOLDERS' FUNDS	15		<u><u>7,617,417</u></u>		<u><u>7,115,457</u></u>

The financial statements were approved by the director on 5 August 2010 and were signed by

A Davis Director


For GD Secretarial Services Ltd.

The notes form part of these financial statements

**Notes to the Financial Statements
for the Year Ended 31 December 2009**

Accounting convention

Financial Reporting Standard Number 1

Turnover

Tangible fixed assets

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

Stocks

Deferred tax

2 STAFF COSTS

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

3 OPERATING PROFIT

The operating profit is stated after charging

Page 7

continued

THE SERENITY SPA LIMITED (REGISTERED NUMBER: 04410706)

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2009**

4 INTEREST PAYABLE AND SIMILAR CHARGES

	2009	2008
	£	£
Bank interest	<u>6,955</u>	<u>3,836</u>

5 TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 31 December 2009 nor for the year ended 31 December 2008

Factors affecting the tax charge

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

	2009	2008
	£	£
Profit on ordinary activities before tax	<u>501,960</u>	<u>57,974</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2008 - 28.500%)	140,549	16,523
Effects of		
Expenses not deductible for tax purposes	-	38,780
Capital allowances in excess of depreciation	(15)	(38,780)
Group relief	(64,933)	(135)
Utilisation of tax losses	<u>(75,601)</u>	<u>(16,388)</u>
Current tax charge	<u>-</u>	<u>-</u>

6 TANGIBLE FIXED ASSETS

	Fixtures, fittings & equipment £
COST	
Additions	<u>1,608</u>
At 31 December 2009	<u>1,608</u>
DEPRECIATION	
Charge for year	<u>268</u>
At 31 December 2009	<u>268</u>
NET BOOK VALUE	
At 31 December 2009	<u>1,340</u>

THE SERENITY SPA LIMITED (REGISTERED NUMBER: 04410706)

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2009**

7 STOCKS

	2009	2008
	£	£
Stocks	<u>21,306</u>	<u>56,155</u>

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2009	2008
	£	£
Trade debtors	114,645	2,800
Amounts owed by group undertakings	9,448,524	8,176,020
Other debtors	-	70,089
Prepayments and accrued income	<u>20,430</u>	<u>31,420</u>
	<u>9,583,599</u>	<u>8,280,329</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

9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2009	2008
	£	£
Bank overdrafts	1,106,070	446,343
Trade creditors	433,501	111,313
Amounts owed to group undertakings	209,486	15,434
Social security and other taxes	15,704	7,563
VAT	47,547	85,802
Other creditors	64,649	500,791
Accrued expenses	<u>112,121</u>	<u>54,341</u>
	<u>1,989,078</u>	<u>1,221,587</u>

10 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2009	2008
Number:	Class	Nominal value	£	£
7,486,000	Ordinary	1	<u>7,486,000</u>	<u>7,486,000</u>

11. RESERVES

	Profit and loss account £
At 1 January 2009	(370,543)
Profit for the year	<u>501,960</u>
At 31 December 2009	<u>131,417</u>

THE SERENITY SPA LIMITED (REGISTERED NUMBER: 04410706)

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2009**

12 ULTIMATE PARENT COMPANY

The immediate parent undertaking is von Essen Hotels 2 Limited and the ultimate parent undertaking is von Essen Mining and Development Corporation (UK) Limited, both companies being registered in England and Wales. The registered office is situated at 90 Fetter Lane, London EC4A 1PT.

13 RELATED PARTY DISCLOSURES

The company has taken advantage of the exemption of Financial Reporting Standard 8 "Related party disclosures" and has not disclosed transactions with group undertakings.

There are no other related party transactions.

14 ULTIMATE CONTROLLING PARTY

The ultimate controlling party is Mr A Davis by virtue of his 100% holding of the parent company's issued share capital.

15 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2009	2008
	£	£
Profit for the financial year	501,960	57,974
Net addition to shareholders' funds	501,960	57,974
Opening shareholders' funds	7,115,457	7,057,483
Closing shareholders' funds	7,617,417	7,115,457