Grant Thornton

Financial statements Bryanston Kenmore Southview Limited

For the Period from 1 August 2007 to 31 December 2008

Company No. 05936854

Officers and professional advisers

Company registration number	05936854
Registered office	1st Floor 58 Davies Street London W1K 5JF
Directors	R W M Brook T Taccone J Elton
Auditor	Grant Thornton UK LLP Chartered Accountants Registered Auditors Kingfisher House 1 Gilders Way St James Place Norwich Norfolk NR3 1UB

Contents

Report of the Directors

The directors present their report and the financial statements of the company for the period from 1 August 2007 to 31 December 2008

Principal activities and business review

On 10 September 2007 the company acquired the trade and assets of a substantial holiday park, Southview Leisure Park, in Skegness, Lincolnshire The principal activity of the company from that date was that in connection with the operation of this holiday park

The company is a wholly owned subsidiary of the Bryanston Kenmore Leisure Fund Ltd ("BKLF"), a specialist holiday and caravan park investor and operator whose strategy is to invest in larger holiday, caravan and lodge parks in excellent locations across the UK, which demonstrate strong cashflow characteristics and have good long-term growth prospects

The general economic environment, particularly in the latter part of the period under review, was challenging and this continued to be the case in 2009 and as we move forward in 2010 Due to the unprecedented economic conditions, we undertook an impairment review at the period end which resulted in a write off of goodwill of £15,643k and a write down of freehold property of £4,726k in addition to normal amortisation and depreciation This has exacerbated the reported loss

Trading in the current year is expected to reflect the ongoing underlying economic conditions, with caravan sales continuing to be challenging due to poorer demand and availability of finance, but with continuing strong demand for the good quality, UK based holidays which we provide Nevertheless, the business continued to generate positive EBITDA throughout 2009 and this is anticipated to continue The directors believe that this underlines the strength and quality of the underlying business, and its longer term viability if a sensible financing structure can be negotiated

Key performance indicators

During the period under review, the company generated a turnover of £13 48m, and an EBITDA of £3 33m The company made a loss after tax of £26 07m due to the significant amortisation, impairment and interest charges Given the straightforward nature of the business and the level of borrowings, cash generation is absolutely key EBITDA is therefore the primary key performance indicator and this is in line with expectation

Results and dividends

The loss for the period amounted to £26,065,779 The directors have not recommended a dividend

Charitable donations

During the period, the company made charitable donations amounting to £6,615 (2007 £nil)

Financial risk management objectives and policies

In common with other businesses, the company aims to minimise financial risk The measures used by the directors to manage this risk include the preparation of profit and cash flow forecasts, regular monitoring of actual performance against these forecasts and ensuring that adequate financing facilities are in place to meet the requirements of the business

Credit risk

Credit checks are made for customers, and in most cases the company ensures that for major sales like caravans debts are settled before or at the time of delivery

Interest rate and liquidity risk
The company has significant borrowings on which interest charges are mainly linked to floating LIBOR rates The borrowings were due for review in November 2009 and the directors are currently attempting to agree a refinancing package with the bank The need to reach agreement is therefore currently a key risk facing the business

Currency risk
Virtually all sales and purchases are transacted in Sterling, and the company therefore has no foreign exchange risk

Principal risks and uncertainties

In addition to the financial risks discussed above, the company faces a number of commercial risks which are in keeping with other businesses in the holiday park and leisure sector The directors see the key ones as being

- economic conditions affecting consumers' disposable incomes and their ability to obtain finance,
- major external events like the foot and mouth outbreak affecting the UK holiday trade,
- continued availability of external capital for the group,
- health and safety issues on the park, which are regularly monitored,
- the ability to attract and retain the right number and quality of staff

In addition, there is currently significant uncertainty with regards to the administration of the ultimate parent and a number of related undertakings referred to elsewhere in these financial statements

Directors

The directors who served the company during the period were as follows

L Maytum
S Dempsey
T Taccone
H B Hart
R A Auerbach
R W M Brook

S Dempsey was appointed as a director on 22 August 2008
T Taccone was appointed as a director on 22 August 2008
L Maytum retired as a director on 22 August 2008
H B Hart retired as a director on 22 August 2008
R A Auerbach retired as a director on 22 August 2008
R W M Brook retired as a director on 22 August 2008
S Dempsey retired as a director on 15 June 2009
R A Robson was appointed as a director on 16 June 2009
R W M Brook was reappointed as a director on 16 June 2009
J A B Kennedy was appointed as a director on 22 June 2009
R A Robson retired as a director on 22 June 2009
J A B Kennedy retired as a director on 17 July 2009
J Elton was appointed as a director on 21 January 2010

Directors' and officers' liability insurance

During the period, the group of which the company is part maintained liability insurance for its directors and officers, who are also directors of this company This provision, which is a qualifying third party indemnity provision as defined by Section 309B of the Companies Act 1985, was in force throughout the period and is currently in force

Directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) The financial statements are required by law to 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,
- 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 proper accounting records that 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 1985 They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

In so far as each of the directors is aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

Auditor

Grant Thornton UK LLP offer themselves for re-appointment as auditor in accordance with section 385 of the Companies Act 1985

ON BEHALF OF THE BOARD

Tony Taccone

T Taccone
Director
2/2/2010

GrantThornton

Report of the independent auditor to the member of Bryanston Kenmore Southview Limited

We have audited the financial statements of Bryanston Kenmore Southview Limited for the period from 1 August 2007 to 31 December 2008 which comprise the principal accounting policies, the profit and loss account, the balance sheet and notes 1 to 22 These financial statements have been prepared under the historical cost convention and the accounting policies set out therein

This report is made solely to the company's member, in accordance with Section 235 of the Companies Act 1985 Our audit work has been undertaken so that we might state to the company's member 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 member, for our audit work, for this report, or for the opinions we have formed

Respective responsibilities of directors and auditor

The directors' responsibilities for preparing the Report of the Directors and the financial statements in accordance with United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of directors' responsibilities

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland)

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985 We also report to you whether in our opinion the information given in the Report of the Directors is consistent with the financial statements

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed

We read the Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board except that the scope of our work was limited as explained below

An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed

Report of the independent auditor to the member of Bryanston Kenmore Southview Limited (continued)

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error However, as explained more fully under the basis of preparation section of accounting policies on page 8, the company's ability to continue as a going concern is critically dependent on the continued support of its bankers, and there is also material uncertainty in respect of the situation with regards to a number of significant other creditors of the company, and the position of the bank in the event that those creditors demand payment We have been unable to obtain sufficient appropriate evidence about these matters, in particular with regards to the immediate and longer term intentions of either the bank or the other creditors referred to

In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements

Opinion: disclaimer on view given by financial statements

Because of the possible effect of the limitation in evidence available to us, we are unable to form an opinion as to whether the financial statements

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2008 and of its loss for the period then ended, and
- have been properly prepared in accordance with the Companies Act 1985

In respect solely of the limitation of our work relating to the going concern basis we have not obtained all the information and explanations that we considered necessary for the purpose of our audit

Notwithstanding our disclaimer on the view given by the financial statements, in our opinion, the information given in the Report of the Directors' is consistent with the financial statements

Grant Thornton UK LLP

GRANT THORNTON UK LLP
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS

NORWICH
3/2/2010

Accounting policies

Basis of accounting

The financial statements have been prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and under the historical cost convention

Going concern

As explained more fully in note 12, the company has substantial borrowings from Anglo Irish Bank Corporation PLC, without which it cannot continue to trade These borrowings all fell due for repayment in November 2009, and are therefore currently repayable on demand Since then the company has been in discussions with the Bank regarding refinancing of the business These discussions are on-going and the directors are hopeful that negotiations will be completed with new financing terms agreed within the next few weeks During negotiations to date, the Bank has expressed its desire to see the business grow and to fully support it as recently demonstrated by allowing the company to roll various interest and amortisation obligations However, the directors have been unable to obtain any formal commitment from the Bank as regards to its intentions, and any proposed refinancing is still subject to the approval of the Bank's credit committee

In addition to the above, as set out in note 11, the company owes significant amounts to its immediate parent undertaking, Bryanston Kenmore Leisure Fund Limited, and also to Kenmore Investments Limited, a related undertaking and part of the Kenmore Property Group Bryanston Kenmore Leisure Fund Limited itself in turn owes substantial amounts to the ultimate parent undertaking, Kenmore Private Equity Limited In October 2009, Kenmore Private Equity Limited was placed in to receivership following the administration of Kenmore Property Group (including Kenmore Investments Limited) The administrator of Kenmore Property Group, who is also acting as the receiver of Kenmore Private Equity Limited has not given any indication of his intentions with regards to any of the amounts referred to above The directors have been unable to ascertain the likely position of the Bank in the event that repayment of the debts was demanded, but the company would be unable to repay them without further support from the Bank

The directors have concluded that the above circumstances with regards to the amounts owed by the company to the Bank, and the situation with regards to the various amounts owed to the immediate parent undertaking and to members of the Kenmore Property Group, represent material uncertainties that cast significant doubt over the company's ability to continue as a going concern However, whilst trading conditions have remained challenging, the company has traded throughout 2009 generating positive EBITDA The directors have prepared five year forecasts which show that the company can continue to generate positive EBITDA and that it can continue to trade and service the Bank debt provided that an appropriate refinancing structure can be agreed With regards to the other debts, all the amounts in question are unsecured As a result, in the event of being claimed, they would rank behind the secured loans from the Bank The directors have therefore concluded that the likelihood of the amounts being demanded in the near future is low as the prospect of payment is negligible

In view of the above, after making enquiries, and having fully considered all the material uncertainties in question, the directors have concluded that they have a reasonable expectation that the company will have adequate resources to continue in operational existence for the foreseeable future For these reasons, they continue to adopt the going concern basis in preparing these financial statements

Cash flow statement

Under Financial Reporting Standard 1, the company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary undertaking of a UK parent company and its results are included in the consolidated financial statements of that company, which are publicly available

Related parties transactions

The company is a wholly owned subsidiary of Bryanston Kenmore Leisure Fund Limited, the consolidated accounts of which are publicly available Accordingly, the company has taken advantage of the exemption in FRS 8 from disclosing transactions with members or investees of the Bryanston Kenmore Leisure Fund Limited group

Turnover

Rental and similar income is recognised in the period to which it relates Caravan sales are recognised at the point at which the full balance is paid and the customer takes delivery of the caravan Holiday income is recognised on the first day of the holiday

Goodwill

Goodwill is stated at cost less accumulated amortisation Goodwill is reviewed for impairment at the end of the first full financial year following each acquisition and subsequently as and when necessary if circumstances emerge that indicate that the carrying value may not be recoverable

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Goodwill	-	10% straight line

Fixed assets

All fixed assets are stated at cost less accumulated depreciation

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Freehold Property	-	2% straight line
Plant & Machinery	-	15 - 25% straight line
Motor Vehicles	-	33 3% straight line
Equipment	-	25 - 33 3% straight line

Stocks

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

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exception

- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities Financial liabilities are presented as such in the balance sheet Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account Finance costs are calculated so as to produce a constant rate of return on the outstanding liability

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument Dividends and distributions relating to equity instruments are debited direct to equity

Profit and loss account

	Note	Period from 1 Aug 07 to 31 Dec 08 £	Period from 15 Sep 06 to 31 Jul 07 £
Turnover	1	13,484,176	–
Cost of sales		(5,545,217)	–
Gross profit		7,938,959	–
Other operating charges (includes exceptional impairment charges of £20,369,131 (2007 £Nil))	2	(28,440,258)	–
Operating loss	3	(20,501,299)	–
Interest receivable		26,262	–
Interest payable and similar charges	5	(5,590,742)	–
Loss on ordinary activities before taxation		(26,065,779)	–
Tax on loss on ordinary activities	6	–	–
Loss for the financial period	17	(26,065,779)	–

All of the activities of the company are classed as continuing, having been acquired in the period

The company has no recognised gains or losses other than the results for the period as set out above

Balance sheet

	Note	31 Dec 08 £	31 Jul 07 £
Fixed assets			
Intangible assets	7	–	–
Tangible assets	8	23,839,539	–
		23,839,539	–
Current assets			
Stocks	9	1,135,096	–
Debtors	10	883,284	–
Cash at bank		107,323	1
		2,125,703	1
Creditors: amounts falling due within one year	11	(52,031,020)	–
Net current (liabilities)/assets		(49,905,317)	1
Net (liabilities)/assets		(26,065,778)	1
Capital and reserves			
Called-up equity share capital	16	1	1
Profit and loss account	17	(26,065,779)	–
Equity shareholder's (deficit)/funds	18	(26,065,778)	1

These financial statements were approved by the directors and authorised for issue on 2/2/2010 and are signed on their behalf by

Tony Taccone

T Taccone
Director

Notes to the financial statements

1 Turnover

The turnover and loss before tax are attributable to the one principal activity of the company
An analysis of turnover is given below

	Period from 1 Aug 07 to 31 Dec 08 £	Period from 15 Sep 06 to 31 Jul 07 £
United Kingdom, holiday park operations	**13,484,176**	-

2 Other operating charges

	Period from 1 Aug 07 to 31 Dec 08 £	Period from 15 Sep 06 to 31 Jul 07 £
Administrative expenses	**28,440,258**	–

3 Operating loss

Operating loss is stated after charging

	Period from 1 Aug 07 to 31 Dec 08 £	Period from 15 Sep 06 to 31 Jul 07 £
Amortisation of goodwill	**2,356,493**	–
Impairment of goodwill	**15,643,000**	–
Depreciation of tangible fixed assets	**1,109,136**	–
Impairment of tangible fixed assets	**4,726,131**	–
Auditor's remuneration		
Audit fees	**15,000**	–

4 Directors and employees

The average number of staff employed by the company during the financial period amounted to

	Period from 1 Aug 07 to 31 Dec 08 No	Period from 15 Sep 06 to 31 Jul 07 No
Administration	9	–
Management staff	16	–
Operations	93	–
	118	–

The aggregate payroll costs of the above were

	Period from 1 Aug 07 to 31 Dec 08 £	Period from 15 Sep 06 to 31 Jul 07 £
Wages and salaries	2,271,663	–
Social security costs	185,961	–
	2,457,624	–

No directors were remunerated through this company in the period

5 Interest payable and similar charges

	Period from 1 Aug 07 to 31 Dec 08 £	Period from 15 Sep 06 to 31 Jul 07 £
Interest payable on bank borrowing	4,309,200	–
Interest payable to group undertakings	1,021,482	–
Other similar charges payable	260,060	–
	5,590,742	–

6 Taxation on ordinary activities

Factors affecting current tax charge

The tax assessed on the loss on ordinary activities for the period is higher than (2007 equal to) the standard rate of corporation tax in the UK of 28% The differences are explained below

	Period from 1 Aug 07 to 31 Dec 08 £	Period from 15 Sep 06 to 31 Jul 07 £
Loss on ordinary activities before taxation	**(26,065,779)**	-
Loss on ordinary activities multiplied by the standard rate of tax in the UK of 28% - expected credit	**(7,298,418)**	-
Expenses not deductible for tax purposes	**6,261**	-
Depreciation in excess of capital allowances	**194,683**	-
Impairment of tangible fixed assets not allowable	**1,323,317**	-
Unrelieved tax losses	**5,774,157**	-
Total current tax	**-**	-

7 Intangible fixed assets

	Goodwill £
Cost	
Acquisitions (note 21)	17,999,493
At 31 December 2008	17,999,493
Amortisation	
Charge for the period	2,356,493
Impairment	15,643,000
At 31 December 2008	17,999,493
Net book value	
At 31 December 2008	–
At 31 July 2007	–

An impairment review was undertaken by the directors at the period end This has been carried out by preparing cash flow forecasts derived from the most recent financial budgets, and discounting these to obtain a value in use estimate for the business A pre tax discount rate of 13% was used, based on the published weighted average cost of capital for similar listed businesses adjusted for risk Cash flows for beyond the initial five year period covered by the detailed forecasts were assumed to grow at 2% per annum

8 Tangible fixed assets

	Freehold Property £	Plant & Machinery £	Motor Vehicles £	Equipment £	Total £
Cost					
Acquisitions (note 21)	27,674,467	682,959	17,763	–	28,375,189
Additions	529,095	751,276	6,927	58,932	1,346,230
Disposals	–	(30,000)	(6,613)	(10,000)	(46,613)
At 31 December 2008	28,203,562	1,404,235	18,077	48,932	29,674,806
Depreciation					
Charge for the period	799,390	285,760	7,525	16,461	1,109,136
Impairment	4,726,131	–	–	–	4,726,131
At 31 December 2008	5,525,521	285,760	7,525	16,461	5,835,267
Net book value					
At 31 December 2008	**22,678,041**	**1,118,475**	**10,552**	**32,471**	**23,839,539**
At 31 July 2007	–	–	–	–	–

Freehold property includes land at a cost of £17,910,000 which is not depreciated

An impairment review was undertaken by the directors at the period end This has been carried out by preparing cash flow forecasts derived from the most recent financial budgets, and discounting these to obtain a value in use estimate for the business A pre tax discount rate of 13% was used, based on the published weighted average cost of capital for similar listed businesses adjusted for risk Cash flows for beyond the initial five year period covered by the detailed forecasts were assumed to grow at 2% per annum

9 Stocks

	31 Dec 08 £	31 Jul 07 £
Goods for resale	**1,135,096**	–

10 Debtors

	31 Dec 08 £	31 Jul 07 £
Trade debtors	**487,286**	–
Other debtors	**21,853**	–
Prepayments and accrued income	**374,145**	–
	883,284	–

11 Creditors: amounts falling due within one year

	31 Dec 08	31 Jul 07
	£	£
Bank loans (note 12)	38,297,439	–
Payments received on account	16,475	–
Trade creditors	468,926	–
Amounts owed to parent undertaking	7,256,485	–
Amounts owed to fellow subsidiary undertaking	452,205	–
Amounts owed to related undertaking	2,186,000	–
PAYE and social security	43,396	–
Other creditors	27,008	–
Accruals and deferred income	3,283,086	–
	52,031,020	–

Interest is charged on the loan from the parent undertaking at a rate of 4% per annum above base rate

The following liabilities disclosed under creditors falling due within one year are secured by the company

	31 Dec 08	31 Jul 07
	£	£
Bank loans (note 12)	38,297,439	–

12 Creditors - capital instruments

Creditors include finance capital which is due for repayment as follows

	31 Dec 08	31 Jul 07
	£	£
Amounts repayable		
In one year or less or on demand	38,297,439	–

The bank loans are secured by a debenture in favour of Anglo Irish Bank Corporation PLC and by way of a fixed and floating charge over the assets of the company These loans were due for repayment on 30 November 2009 Interest is charged at 2% per annum above LIBOR on the senior element of £33,750,000, 3 5% per annum above LIBOR on the junior element of £2,250,000 and 7% per annum above LIBOR on the mezzanine element of £3,040,000

There is a guarantee in place from Kenmore Investments Limited, a related company, on the bank loan to the extent that it is above £33,750,000 Interest is charged by this company on bank borrowings in excess of £33,750,000 at a rate of 2 5% There are also cross guarantees in place with other members of the group

13 Deferred taxation

The company has an estimated deferred tax asset calculated at 28% and amounting to £5,725,033, for which no provision has been made in these financial statements due to uncertainty concerning its recovery The unprovided asset is comprised as follows

	Period from 1 Aug 07 to 31 Dec 08	Period from 15 Sep 06 to 31 Jul 07
	£	£
Tax losses available	**5,774,157**	-
Advanced capital allowances	**(49,124)**	-
	5,725,033	-

14 Contingent liability

The company has a contingent liability in respect of an agreement with one of the companies that provides finance to its customers that for any caravans which have been sold using finance, if the customer defaults on payments, the company will pay off any outstanding finance and in return get the caravan back The directors have estimated that the maximum exposure is £1 5m

15 Derivatives

At the period end, the company had entered into a Sterling LIBOR SWAP contract on notional funds of £29m The SWAP was taken out at a fixed rate of 6 035% and extends over the period from 10 September 2007 to final maturity on 30 November 2009 Floating rate payment dates occur quarterly at March, June, September and December

The directors have performed a valuation of the derivative contract which shows a fair value as at 31 December 2008 of a liability of £1,075,847

16 Share capital

Authorised share capital

	31 Dec 08	31 Jul 07
	£	£
100 Ordinary shares of £1 each	**100**	100

Allotted, called up and fully paid

	31 Dec 08		31 Jul 07	
	No	**£**	No	£
Ordinary shares of £1 each	**1**	**1**	1	1

17 Profit and loss account

	Period from 1 Aug 07 to 31 Dec 08 £	Period from 15 Sep 06 to 31 Jul 07 £
Balance brought forward	–	–
Loss for the financial period	(26,065,779)	–
Balance carried forward	(26,065,779)	–

18 Reconciliation of movements in equity shareholder's (deficit)/funds

	31 Dec 08 £	31 Jul 07 £
Loss for the financial period	(26,065,779)	–
New ordinary share capital subscribed	–	1
Net (reduction)/addition to equity shareholder's (deficit)/funds	(26,065,779)	1
Opening equity shareholder's funds	1	–
Closing equity shareholder's (deficit)/funds	(26,065,778)	1

19 Ultimate parent company

The immediate parent undertaking of the company is Bryanston Kenmore Leisure Fund Limited, a company incorporated in the United Kingdom Bryanston Kenmore Leisure Fund Limited owns 100% of the issued ordinary share capital of Bryanston Kenmore Southview Limited Bryanston Kenmore Leisure Fund Limited prepares financial statements into which the results of Bryanston Kenmore Southview Limited are consolidated

The ultimate parent undertaking of the company is Kenmore Private Equity Limited, a company incorporated in the United Kingdom

The company was under the control of Mr J Kennedy throughout the period Mr J Kennedy holds 100% of the share capital in the ultimate parent undertaking Kenmore Private Equity Limited

20 Related party transactions

There is a guarantee in place from Kenmore Investments Limited, a company under common control, on the bank loans to the extent that they are above £33,750,000 Interest is charged by this company on the guaranteed amount at a rate of 2 5% and the amount charged in the period was £168,603 (2007 £nil) The guarantee also covers all interest due on the bank loans as well as any scheduled capital repayments which the company may fail to make

At the period end, the company owed Kenmore Investments Limited £2,186,000 (2007 £nil) having been forwarded this amount over the period This amount is included within creditors falling due within one year In addition, £168,603 (2007 £nil) was payable to Kenmore Investments Limited in respect of the guarantee interest This amount is included within accruals and deferred income

21 Acquisitions

The company acquired the trade and assets of the business of Southview Leisure Park on 10 September 2007 The fair values of identifiable assets and liabilities are set out below

	31 Dec 08
	£
Tangible fixed assets (note 8)	28,375,189
Stocks	574,000
Debtors	606,349
Cash	40,000
Creditors	(1,240,948)
	28,354,590
Consideration paid	46,080,000
Fees and related costs	274,083
Goodwill on acquisition (note 7)	(17,999,493)
	28,354,590

The acquired business was operated by the pervious owners as an unincorporated partnership As a result, it has not been practicable to obtain book values on acquisition, nor to obtain the pre-acquisition results for the business Furthermore in view of the circumstances, the directors consider that disclosure of these details would not provide any meaningful or useful additional information for the user of these accounts

22 Post balance sheet event

In October 2009 the ultimate parent undertaking, Kenmore Private Equity Limited, was placed into receivership