

21/12

BVI Company Registration No 666670

UK Foreign Company Registration No. FC026322

GOLD DIAMOND D SPROWSTON MANOR 2005 LTD
(FORMERLY GOLD DIAMOND E SPROWSTON MANOR 2005 LTD)
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

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**GOLD DIAMOND D SPROWSTON MANOR 2005 LTD
(FORMERLY GOLD DIAMOND E SPROWSTON MANOR 2005 LTD)
OFFICERS AND PROFESSIONAL ADVISERS**

Directors	S Bodger Sultan A. A. Al Dhahen D. S. White K. M. Al Remelthi	(Resigned 15 February 2013) (Appointed 25 February 2013) (Appointed 15 February 2013) (Appointed 15 February 2013, resigned 8 March 2013)
Company Number	FC026322	
Registered Office	171 Main Street PO Box 4041 Road Town Tortola British Virgin Islands	
Business Address	400 Capability Green Luton Bedfordshire United Kingdom LU1 3LU	
Bankers	The Royal Bank of Scotland Plc Chatham Customer Service Centre Waterside Court Chatham Kent ME4 4RT	
Solicitors	Berwin Leighton Paisner Adelaide House London Bridge London EC4 9HA	

**GOLD DIAMOND D SPROWSTON MANOR 2005 LTD
(FORMERLY GOLD DIAMOND E SPROWSTON MANOR 2005 LTD)
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**GOLD DIAMOND D SPROWSTON MANOR 2005 LTD
(FORMERLY GOLD DIAMOND E SPROWSTON MANOR 2005 LTD)
STRATEGIC REPORT**

FOR THE YEAR ENDED 31 DECEMBER 2013

Principal activities

The principal activity of the company continued to be the operation of a hotel in the United Kingdom

Business Review

The company has reported an operating loss of £42,486 (2012 – profit £63,187) for the underlying business before adjusting for a reversal of impairment of £1,566,784 (2012 – impairment charge £2,856,705) and the forgiveness of debt of £17,717,870 (2012 – £nil). After adjusting for these items the company reported profit, before finance charges and taxation of £19,242,168 (2012 – loss £2,793,518)

A former intermediate parent undertaking of the company, Professional Ventures Corporation, breached the banking covenants in its credit facilities on 31 December 2008

On 14 June 2011 the Royal Bank of Scotland Plc appointed Alan Bloom and Roy Bailey, of Ernst & Young LLP and Ernst & Young Limited as Joint Administrative Receivers to Professional Ventures Corporation. The company continued to trade and was unaffected by the administrative receivership but as a consequence the company was sold on 15 February 2013

Under the terms of the sale, the company was refinanced, its obligations as a guarantor to the credit facilities of Professional Ventures Corporation extinguished and the net indebtedness between the company and the Professional Ventures Corporation Group forgiven, resulting in a credit to the profit and loss account of £17,717,870 (2012 – £nil). Following the sale £361,154 of the new debt was converted to equity. The directors consider the key financial indicators are as follows

	2013	2012
Gross profit margin percentage	38.57%	40.36%
Operating profit margin percentage before impairment, bad debts & incentive fees	-0.77%	1.11%
Profit/(loss) after tax	£19,057,000	(£3,942,048)
Impairment reversal/(charge) tangible assets	£1,566,784	(£2,856,705)

Principal risks and uncertainties

The company is subject to a variety of risks, which may have an adverse impact on the business, its operating results, turnover, profit, assets, and reserves

Listed below are the main risks which, in the opinion of the directors, could significantly affect the company's business

Competitive risks

The directors review the hotel against a self selected group of competitor hotels. These reports allow the hotel to compare accommodation occupancy percentage, average rate, RevPAR and its competitive position in market penetration, average rate and revenue generation against the competitive group

Currency risks

The hotel business is affected by the strength of sterling, with strong sterling increasing the effective room rates to international guests

Legislative risks

Health and safety regulations are constantly reviewed and to this effect the hotel has an appointed Health and Safety Manager to carry out all legally required training and to ensure all health and safety policies are communicated and adhered to

**GOLD DIAMOND D SPROWSTON MANOR 2005 LTD
(FORMERLY GOLD DIAMOND E SPROWSTON MANOR 2005 LTD)
STRATEGIC REPORT (CONTINUED)**

FOR THE YEAR ENDED 31 DECEMBER 2013

Economic development

The company operates in a competitive environment influenced by the UK economy. Adverse economic and financial market developments, including recession and currency fluctuations could lead to lower revenues and reduced income. Recent experience shows a recession lessens both leisure and business travel and negatively affects rooms' rates and/or occupancy levels and other income-generating activities such as food and beverage sales. This may result in worsening of operating results and potentially reduce the value of properties.

Events that impact domestic or international travel

Room rates and occupancy levels of the company could be negatively affected by events that reduce domestic and/or international travel. These include events such as acts of terrorism, epidemics, travel-related industrial action and increased fuel costs all of which could result in a fall in both domestic and worldwide travel. Such events may lead to a fall in demand for hotel rooms that would have a subsequent impact on the company's operations and financial results.

Technology and systems

The company is reliant upon certain IT systems for the smooth and efficient running of its business and any disruption to those IT systems could have a detrimental effect on the running of the business. If the company does not keep up-to-date with new IT developments it runs the risk of becoming uncompetitive which could result in a loss of customers and a failure to attract new customers.

This report was approved by the board and signed on its behalf by



D S White
Director



Sultan A. A. Al Dhahen
Director

**GOLD DIAMOND D SPROWSTON MANOR 2005 LTD
(FORMERLY GOLD DIAMOND E SPROWSTON MANOR 2005 LTD)
DIRECTORS' REPORT**

FOR THE YEAR ENDED 31 DECEMBER 2013

The directors present their report and financial statements for the year ended 31 December 2013

Fixed Assets

The directors have considered the value of the company's hotel asset restating it at 31 December 2013 to reflect a valuation by Chrstes LLP dated 05 February 2014 which was commissioned by the company's immediate parent, Silver Diamond TEHC Sàrl. The valuation was carried out in accordance with the RICS Valuation Standards – Global and UK (7th Edition)

Going concern

The directors believe that, following the sale of the company on 15 February 2013, the company has sufficient financial resources to meet its trading obligations as and when they fall due and accordingly these accounts have been prepared on a going concern basis. Further details of the adoption of the going concern basis can be found in the statement of accounting policies in the financial statements

Financial risk management objectives and policies

The activities of the company expose it to a number of financial risks including credit risk and liquidity risk

Credit risk

The company's principal financial assets are bank balances and cash, trade and other receivables. The company's credit risk is primarily attributable to its trade receivables which are stated net of allowances for doubtful receivables and, where there is an identified loss event, impairment

The company has no significant exposure to currency or legislative risk. Credit risk is spread over a large number of counterparties and customers

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the company uses short term debt from its immediate parent undertaking

Results and dividends

The results for the year are set out on page 5

The directors do not recommend a dividend

Future Developments

The company is endeavouring to improve performance

The directors expect the hotel to continue to trade profitably and benefit from an improving market in 2014

Directors

The directors who served during the year were

S. Bodger	(Resigned 15 February 2013)
Sultan A. A. Al Dhaheri	(Appointed 25 February 2013)
D. S. White	(Appointed 15 February 2013)
K. M. Al Remeithi	(Appointed 15 February 2013 and resigned 8 March 2013)

GOLD DIAMOND D SPROWSTON MANOR 2005 LTD
(FORMERLY GOLD DIAMOND E SPROWSTON MANOR 2005 LTD)
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2013

Statement of directors' responsibilities

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 the directors have 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 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 accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

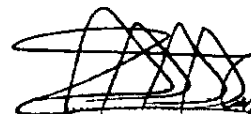
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They 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.

This report was approved by the board and signed on its behalf by



D S White
Director

3 December 2014



Sultan A. A. Al Dhaheri
Director

3 December 2014

GOLD DIAMOND D SPROWSTON MANOR 2005 LTD
(FORMERLY GOLD DIAMOND E SPROWSTON MANOR 2005 LTD)
PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2013

	Notes	2013 £	2012 (Re-stated) £
Turnover	2	5,509,115	5,672,252
Cost of sales		(3,384,241)	(3,382,962)
Gross profit		2,124,874	2,289,290
Other operating income		-	38,081
Administrative expenses		(2,167,360)	(2,264,184)
Operating (loss)/profit		(42,486)	63,187
Impairment reversal/(charge) tangible assets	3	1,566,784	(2,856,705)
Forgiveness of debt	3	17,717,870	-
Profit/(loss) before finance charges and taxation		19,242,168	(2,793,518)
Profit on disposal of tangible assets		-	3,100
Interest receivable and similar income	4	2,763	3,006
Interest payable and similar charges	5	(187,931)	(1,154,636)
Profit/(loss) on ordinary activities before taxation		19,057,000	(3,942,048)
Tax on profit/(loss) on ordinary activities	6	-	-
Profit/(loss) for the financial year	15	19,057,000	(3,942,048)

The profit and loss account has been prepared on the basis that all operations are continuing operations

The profit and loss account 2012 comparative has been re-stated to reflect a change in accounting policy in the current year. For further details, refer to Note 1.9

GOLD DIAMOND D SPROWSTON MANOR 2005 LTD
(FORMERLY GOLD DIAMOND E SPROWSTON MANOR 2005 LTD)
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 DECEMBER 2013

	Notes	2013 £	2012 £
Profit/(loss) for the financial year		19,057,000	(3,942,048)
Unrealised surplus on revaluation of properties	14	38,344	-
Total recognised gains and losses relating to the year		<u>19,095,344</u>	<u>(3,942,048)</u>

**GOLD DIAMOND D SPROWSTON MANOR 2005 LTD
(FORMERLY GOLD DIAMOND E SPROWSTON MANOR 2005 LTD)
BALANCE SHEET**

AS AT 31 DECEMBER 2013

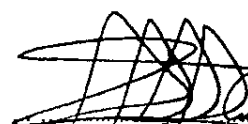
	Notes	2013 £	2012 £
Fixed assets			
Tangible assets	8	2,500,000	756,384
Current assets			
Stocks	9	89,584	90,862
Debtors	10	328,903	316,034
Cash at bank and in hand		699,068	630,094
		<u>1,117,555</u>	<u>1,036,990</u>
Creditors amounts falling due within one year	11	<u>(1,646,206)</u>	<u>(19,278,523)</u>
Net current liabilities		<u>(528,651)</u>	<u>(18,241,533)</u>
Total assets less current liabilities		<u>1,971,349</u>	<u>(17,485,149)</u>
Capital and reserves			
Called up share capital	13	361,160	6
Revaluation reserve	14	38,344	-
Profit and loss account	15	1,571,845	(17,485,155)
Shareholders' funds/(deficit)	16	<u>1,971,349</u>	<u>(17,485,149)</u>

Approved by the Board and authorised for issue on

3 DECEMBER 2014



D S White
Director



Sultan A A Al Dhahen
Director

Company Registration No FC026322

GOLD DIAMOND D SPROWSTON MANOR 2005 LTD
(FORMERLY GOLD DIAMOND E SPROWSTON MANOR 2005 LTD)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

1 Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year, except as specifically noted in note 1.9

1.1 Basis of preparation

The financial statements have been prepared on the going concern basis and under the historical cost convention as modified to include the revaluation of tangible fixed assets

1.2 Going concern

For the reasons discussed in the Directors' Report, the directors believe that, following the sale of the company on 15 February 2013 and the subsequent recapitalisation, the company has sufficient financial resources to meet its trading obligations as and when they fall due and accordingly these accounts have been prepared on a going concern basis

1.3 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

1.4 Turnover

Turnover is the value of goods and services sold, within the United Kingdom, as part of the company's continuing ordinary activities after deducting sales based taxes

1.5 Revenue recognition

Revenue is recognised on room sales and guest services when rooms are occupied and services have been rendered

1.6 Tangible fixed assets and depreciation

Tangible fixed assets include freehold hotels. Land and hotel buildings are stated at fair value, and hotel fixtures, fittings and equipment are stated at cost. Hotel refurbishment costs are capitalised in the period in which they are incurred. Repairs and maintenance costs are expensed as incurred

A full valuation is carried out by a qualified external valuer every year. Revaluation gains are taken to the Statement of Total Recognised Gains and Losses. Revaluation losses are recognized in the Statement of Total Recognised Gains and Losses to the extent that they offset previous revaluation gains. All other losses, including those incurred by a clear consumption of economic benefit, are charged to the Profit and Loss Account. On revaluation of assets carried at fair value, accumulated depreciation at the date of valuation is taken to the Statement of Total Recognised Gains and Losses

Freehold land is not depreciated. Depreciation on hotel buildings, fixtures, fittings and equipment is provided at rates calculated to write off the value/cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold buildings	Lesser of estimated useful life and 50 years
Leasehold land & buildings	Lesser of unexpired term of lease, estimated useful life and 50 years on building element
Fixtures, fittings & equipment	Between 3 and 25 years

The carrying value of fixtures, fittings and equipment is reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable. Any impairment in the value of assets below depreciated cost is charged to the profit and loss account

**GOLD DIAMOND D SPROWSTON MANOR 2005 LTD
(FORMERLY GOLD DIAMOND E SPROWSTON MANOR 2005 LTD)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 DECEMBER 2013

- 17 Leasing**
Rentals payable under operating leases are charged against income on a straight line basis over the lease term
- 18 Stock**
Stock is valued at the lower of cost and net realisable value
- 19 Change in accounting policy**
Gold Diamond D Sprowston Manor Ltd has historically deemed the cost of sales to be 15% of the total costs incurred by the entity. In 2013 the entity has reviewed this calculation and considered the model applied by other participants in the same business sector. As it can reliably estimate the cost of sales, and therefore a true and fairer gross profit, the entity has changed its accounting policy to present more reliable and relevant information to the users of the financial statements. The change only impacts the Gross Profit and not the overall performance of the entity. This change has been applied to the current period and prior period. The change has resulted in a gross profit of £2,124,874 (2012 - £2,289,290) compared to £4,676,375 (2012 - £4,825,180) under the previous policy. These changes are in accordance with FRS 18, Accounting Policies and FRS 3, Reporting Financial Performance.
- 110 Taxation**
Corporation tax payable is provided on taxable profits at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred taxation is provided in full respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax assets are recognised to the extent that they are regarded as recoverable. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets in the financial statements. The deferred tax balance has not been discounted. Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply in periods in which the timing differences are expected to reverse based on tax rates that have been enacted or substantively enacted by the balance sheet date.
- 111 Foreign currency translation**
Transactions denominated in foreign currencies are recorded at the rate of exchange ruling at the date of the transactions. Assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. All foreign exchange differences are taken to profit and loss account in the year in which they arise.
- 2 Turnover**
The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.
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GOLD DIAMOND D SPROWSTON MANOR 2005 LTD
(FORMERLY GOLD DIAMOND E SPROWSTON MANOR 2005 LTD)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2013

3	Profit/(loss) before finance charges and taxation	2013	2012
		£	£
	Profit/(loss) before finance charges and taxation is stated after crediting/(charging)		
	Exceptional items		
	- Impairment reversal/(charge) tangible assets*	1,566,784	(2,856,705)
	- Forgiveness of debt**	17,717,870	-
		<u>19,284,654</u>	<u>(2,856,705)</u>
	Deferred incentive fees write back***	182,577	-
	Depreciation of tangible assets	(21,557)	(39,205)
	Operating lease rentals		
	- Plant and machinery	(35,734)	(37,732)
	Foreign exchange transactions	-	(2)
	*Impairment reversal/(charge) tangible assets		
	The directors have considered the value of the company's hotel asset restating it at 31 December 2013 following a valuation by Chrsties LLP dated 05 February 2014. This valuation was carried out in accordance with the RICS Valuation Standards – Global and UK (7 th Edition). This revaluation resulted in the reversal of a prior year impairment of £1,566,784 (2012 – Impairment £2,856,705)		
	**Forgiveness of debt		
	Under the terms of the sale, the company was refinanced its obligations as a guarantor to the credit facilities of Professional Ventures Corporation extinguished and the net indebtedness between the company and the Professional Ventures Corporation Group forgiven		
	***Deferred incentive fees write back		
	The directors have considered the probability of the deferred incentive fees accrual being paid and have reached the conclusion that it is very unlikely based on performance		
4	Interest receivable and similar income	2013	2012
		£	£
	Bank interest	<u>2,763</u>	<u>3,006</u>
5	Interest payable and similar charges	2013	2012
		£	£
	On amounts payable to group companies	<u>187,931</u>	<u>1,154,636</u>

GOLD DIAMOND D SPROWSTON MANOR 2005 LTD
(FORMERLY GOLD DIAMOND E SPROWSTON MANOR 2005 LTD)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

6	Taxation	2013	2012
		£	£
	Factors affecting the tax charge for the year		
	Profit/(loss) on ordinary activities before taxation	19,057,000	(3,942,048)
	Profit/(loss) on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 23.25% (2012 – 24.00%)	4,430,753	(946,092)
	Effects of		
	Non deductible expenses	10,072	8,949
	Worldwide debt cap disallowances	20,590	21,197
	Capital allowances for the year less than/(in excess of) depreciation	(167,668)	(168,126)
	Write off of connected company loans and impairments	(4,483,683)	-
	Impairment of tangible assets	-	685,610
	Prior year adjustment	(13,189)	-
	Tax losses carried forward	-	366,745
	Non-trade loan relationship exemptions	-	(721)
	Group relief surrendered	203,125	32,438
		(4,430,753)	946,092
	Current tax charge	-	-

The company has estimated losses of £2,687,689 (2012 - £3,342,917) available for carry forward against future trading profits

No corporation tax charge arises on the results for the year

7	Intangible fixed assets	Goodwill
	Cost	£
	At 1 January 2013 & 31 December 2013	1,555,591
	Amortisation	
	At 1 January 2013 & 31 December 2013	1,555,591
	Net book value	
	At 31 December 2013	-
	At 31 December 2012	-

GOLD DIAMOND D SPROWSTON MANOR 2005 LTD
(FORMERLY GOLD DIAMOND E SPROWSTON MANOR 2005 LTD)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2013

8	Tangible fixed assets	Land and buildings freehold	Fixtures fittings and equipment	Total
	Cost	£	£	£
	At 1 January 2013	5,052,648	6,511,357	11,564,005
	Additions	-	160,045	160,045
	Revaluation adjustment	38,344	-	38,344
	At 31 December 2013	5,090,992	6,671,402	11,762,394
	Depreciation			
	At 1 January 2013	4,708,701	6,098,920	10,807,621
	Opening balance adjustment	(411,402)	411,402	-
	Charge for the year	-	21,557	21,557
	Impairment	(1,566,784)	-	(1,566,784)
	At 31 December 2013	2,730,515	6,531,879	9,262,394
	Net book value			
	At 31 December 2013	2,360,477	139,523	2,500,000
	At 31 December 2012	343,947	412,437	756,384

On a historical cost basis the fixed asset would have been included at £10,158,603 (2012 - £10,520,565)

Note 17 details the security charge on the tangible fixed assets

9	Stocks	2013	2012
		£	£
	Finished goods and goods for resale	89,584	90,862

10	Debtors	2013	2012
		£	£
	Trade debtors	174,371	175,396
	Other debtors	10	910
	Prepayments and accrued income	147,762	139,728
	Taxes and social security costs	6,760	-
		328,903	316,034

11	Creditors amounts falling due within one year	2013	2012
		£	£
	Trade creditors	227,122	238,862
	Amounts owed to parent and fellow subsidiary undertakings	1,151,720	18,692,893
	Other creditors	23,573	32,965
	Accruals and deferred income	243,791	313,803
		1,646,206	19,278,523

Amounts owed to parent undertaking are unsecured and bear interest at 5.35%

GOLD DIAMOND D SPROWSTON MANOR 2005 LTD
(FORMERLY GOLD DIAMOND E SPROWSTON MANOR 2005 LTD)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2013

12 Deferred taxation

A deferred tax asset of £0.5m arising from trading losses and other timing differences has not been recognised as there is insufficient evidence of future taxable profits to confirm recoverability in the foreseeable future. The UK corporation tax rate will reduce to 21% with effect from 1 April 2014 but the revised rate will have no significant impact in these financial statements. The March 2013 UK budget also announced subsequent reductions in the UK corporation tax rate 20% from April 2015.

13 Share capital

	2013 £	2012 £
Authorised		
10 Ordinary shares of US\$1 each	6	6
361,154 Ordinary shares of £1 each	361,154	-
	<u>361,160</u>	<u>6</u>
Allotted, called up and fully paid		
Balance at 1 January	6	6
Issued during the year 361,154 Ordinary shares of £1 each	361,154	-
Balance at 31 December	<u>361,160</u>	<u>6</u>

14 Statement of movements of revaluation reserve

	2013 £	2012 £
Balance at 1 January	-	-
Revaluation during the year	38,344	-
Balance at 31 December	<u>38,344</u>	<u>-</u>

15 Statement of movements of profit and loss account

	2013 £	2012 £
Balance at 1 January	(17,485,155)	(13,543,107)
Profit/(loss) for the financial year	19,057,000	(3,942,048)
Balance at 31 December	<u>1,571,845</u>	<u>(17,485,155)</u>

16 Reconciliation of movements in shareholders' funds

	2013 £	2012 £
Profit/(loss) for the financial year	19,057,000	(3,942,048)
Other recognised gains and losses	38,344	-
Ordinary shares issued	361,154	-
Net addition to/(reduction in) shareholders funds	19,456,498	(3,942,048)
Opening shareholders' deficit	(17,485,149)	(13,543,101)
Closing shareholders' funds/(deficit)	<u>1,971,349</u>	<u>(17,485,149)</u>

**GOLD DIAMOND D SPROWSTON MANOR 2005 LTD
(FORMERLY GOLD DIAMOND E SPROWSTON MANOR 2005 LTD)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 DECEMBER 2013

17 Contingent liabilities

The company's obligations as a joint and several guarantor of its former intermediate parent company's loan facilities which comprised an original loan of £861m from a syndicate of banks led by the Royal Bank of Scotland Plc with unpaid interest and swap breakage costs which in aggregate are estimated to have totalled over £1bn at 31 December 2012 were satisfied as a consequence of its sale on 15 February 2013

This bank loan was secured by a

- i first legal charge over the land and buildings of the company and the group, and
- ii fixed and floating charge over the assets of the company and the group

18 Financial commitments

At 31 December 2013 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2014

	2013	Other 2012
	£	£
Operating leases which expire		
Within one year	1,922	1,619
Between two and five years	65,953	26,265
	<u>67,875</u>	<u>27,884</u>

19 Capital commitments

	2013	2012
	£	£
At 31 December the company had capital commitments as follows		
Authorised but not contracted for	22,787	186,825

20 Employees

Number of employees

There were no employees during the year (2012 – nil)

21 Ultimate holding company and controlling party

As of 13th December 2013, the immediate parent undertaking is Silver Diamond TEHC24 Sàrl, a company registered in Luxembourg. Prior to this date, the immediate parent was Gold Diamond D3 2005 Ltd, a subsidiary of Silver Diamond TEHC24 Sàrl

Prior to the 15th February 2013, the intermediate parent undertakings were Fawkes Holdings Limited and Professional Ventures Corporation. Both intermediate parent undertakings were companies registered in the British Virgin Islands. On 15th February 2013 Silver Diamond TEHC24 Sàrl, a company registered in Luxembourg, became the company's new intermediate parent company.

Prior to the 15th February 2013, the ultimate parent undertaking was Blackheath Holdings Sàrl, a company registered in Luxembourg but on 15th February 2013 Tamweelview European Holdings SA, a company which is registered in Luxembourg, became the ultimate parent undertaking.

**GOLD DIAMOND D SPROWSTON MANOR 2005 LTD
(FORMERLY GOLD DIAMOND E SPROWSTON MANOR 2005 LTD)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 DECEMBER 2013

22 Related party relationships and transactions

At the balance sheet date the amounts outstanding and receivable between group entities have been stated in the notes to the financial statements

Gold Diamond D3 2005 Ltd was the parent company up to 13th December 2013, after which date the parent company is Silver Diamond TEHC24 Sàrl. Gold Diamond D3 2005 Ltd continues to be a subsidiary of Silver Diamond TEHC24 Sàrl

Interest paid or payable to group undertakings during the year was as follows
Silver Diamond TEHC24 Sàrl £39,526 (2012 - £nil)

Interest paid or payable to previous group undertakings during the year was as follows
Professional Ventures Corporation £131,221 (2012 - £ 1,029,166)
Fawkes Holdings Limited £17,184 (2012 - £ 125,470)

Loans forgiven by previous group undertakings were as follows
Professional Ventures Corporation £15,463,781 (2012 - £nil)
Fawkes Holdings Limited £2,254,089 (2012 - £nil)