



Accountants &
business advisers

The Directors
Hydro Hotel Eastbourne plc
Mount Road
EASTBOURNE
East Sussex
BN20 7HZ

Our ref NYK/KMCC

10 December 2010

Ladies and Gentlemen

Hydro Hotel Eastbourne plc

We hereby tender our resignation as auditors of the above named company to take effect forthwith

In accordance with section 519 of the Companies Act 2006 we attach a statement of circumstances connected with our resignation. Please note that section 520 of the Act requires the company to send a copy of this statement to every person who under section 423 is entitled to be sent copies of the company's accounts, unless the company wishes to apply to the court. Should the company choose to apply to the court it is required to notify us that it has done so.

You are reminded of your responsibility to file a copy of this notice of resignation with the Registrar of Companies within 14 days, as required by section 517 of the Companies Act 2006.

Yours faithfully

PKF (UK) LLP

PKF (UK) LLP

SATURDAY



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AZQQSQ18

18/12/2010

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COMPANIES HOUSE

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HYDRO HOTEL EASTBOURNE PLC

**STATEMENT OF CIRCUMSTANCES ON CEASING TO HOLD OFFICE AS AUDITOR UNDER
SECTION 519 OF THE COMPANIES ACT 2006**

Our appointment as auditor to the above named company ceased on 10 December 2010

The circumstances connected with our ceasing to hold office as auditors are as follows

The Board has decided to appoint a firm which will act both as Corporate Advisers for the PLUS Markets and statutory auditors

PKF (UK) LLP

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10 December 2010