

Company Registration No. 03531814

**ENIC Entertainment (Restaurants)
Limited**

Report and Financial Statements

31 December 2008



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ENIC Entertainment (Restaurants) Limited

Report and financial statements December 2008

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ENIC Entertainment (Restaurants) Limited

Report and financial statements December 2008

Officers and professional advisers

Directors

Daniel Philip Levy
Matthew John Collecott

Secretary

Matthew John Collecott

Registered office

748 High Road
London
N17 0AP

Auditors

Deloitte LLP
Chartered Accountants
London

ENIC Entertainment (Restaurants) Limited

Directors' report

The directors present their annual report and the audited financial statements for the year to 31 December 2008.

Small company

This report has been prepared in accordance with the special provisions relating to small companies under s246(4) Companies Act 1985.

Principal activity and business review

The company acts and will continue to act as the holding company for WB/ENIC Entertainment Soundstage Restaurants, which operated the WB Stage 16 restaurant in Las Vegas. The restaurant ceased trading in January 2003 and the leasehold agreement between the company and the Venetian hotel was terminated. The company continues to make property related investments in the United States of America.

The directors consider the company is well placed to perform satisfactorily in the future by retaining the current portfolio and seeking to expand its investments in property and related activities.

The company met its day to day capital requirements through intergroup loans. No matters have arisen to suggest that this will not continue in the future should the company seek to invest in future projects for this reason the directors continue to adopt the going concern basis in preparing these financials statements.

Going concern

The directors note that the company is loss making and is expected to fall into a net liability position within twelve months. However, after making enquires and taking into consideration the company's trading performance for the year, its forecasted trading performance and the support provided by other group companies, the directors have formed the judgement that there is a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future.

The financing of the company's activities is provided by amounts owed by the parent company. The continuing support of the parent has been confirmed through the issue of a legally binding letter of support, confirming that it will not seek repayment of these amounts for at least twelve months from the date of signature of these financial statements on the going concern basis.

Results and dividends

As described on page 7, the loss after taxation for the year to 31 December 2008 was £160,974 (Six months to December 2007: £148,184).

No dividend was paid or declared in the period to 31 December 2008 (31 December 2007: £nil).

Directors and their interests

The directors who served throughout the period were as follows:

Daniel Philip Levy
Matthew John Collecott
Charles Barrington Lewis

ENIC Entertainment (Restaurants) Limited

Directors' report (continued)

Auditors

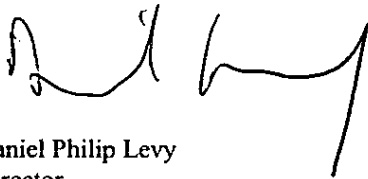
Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 1985.

In accordance with section 388 of the Companies Act 1985, the directors appointed Deloitte LLP as the company's auditors. A resolution to re-appoint Deloitte LLP as the company's auditors will be proposed at the forthcoming Annual General meeting.

Approved by the Board of Directors
and signed on behalf of the Board

A handwritten signature in black ink, appearing to read 'D. Philip Levy', with a long vertical stroke extending downwards from the end of the signature.

Daniel Philip Levy
Director

26 October 2009

ENIC Entertainment (Restaurants) Limited

Statement of directors' responsibilities

The directors are responsible for preparing the Annual 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). 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; 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 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.

Independent auditors' report to the members of ENIC Entertainment (Restaurants) Limited

We have audited the financial statements of ENIC Entertainment (Restaurants) Limited for the year ended 31 December 2008 which comprise the profit and loss account, the balance sheet and the related notes 1 to 12. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, 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 members those matters we are required to state to them in an auditors' 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 directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom 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 Directors' Report 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 Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. 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.

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

Independent auditors' report to the members of ENIC Entertainment (Restaurants) Limited (continued)

Opinion

In our opinion:

- 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 year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

Deloitte LLP

Deloitte LLP
Chartered Accountants and Registered Auditors
London

26 October 2009

ENIC Entertainment (Restaurants) Limited

Profit and loss account

Year ended 31 December 2008

	Notes	Year to 31 December 2008 £'000	Year to 31 December 2007 £'000
Operating expenses		(9,868)	(8,271)
Loss on ordinary activities before interest		(9,868)	(8,271)
Interest payable and similar charges	3	(151,106)	(139,913)
Loss on ordinary activities before taxation	2	(160,974)	(148,184)
Tax on loss on ordinary activities	10	-	-
Loss on ordinary activities after taxation		(160,974)	(148,184)

The accompanying notes are an integral part of this profit and loss account.

There are no recognised gains or losses in either period other than the profit and loss, as stated above and therefore no statement of total recognised gains and losses or reconciliation of movements in shareholders funds is required.

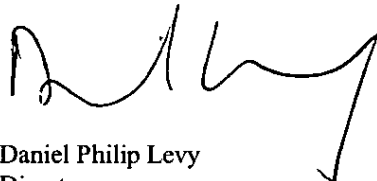
All results derive from continuing activities.

ENIC Entertainment (Restaurants) Limited

Balance sheet 31 December 2008

	Notes	2008 £	2007 £
Fixed assets			
Tangible assets	4	14,476	22,747
Investments	5	3,207,959	3,050,486
		<u>3,222,435</u>	<u>3,073,233</u>
Current assets			
Debtors	6	<u>2</u>	<u>2</u>
Creditors: amounts falling due within one year	7	<u>(3,092,154)</u>	<u>(2,781,978)</u>
Net current liabilities		<u>(3,092,152)</u>	<u>(2,781,976)</u>
Net assets		<u>130,283</u>	<u>291,257</u>
Capital and reserves			
Called up share capital	8	2	2
Profit and loss account		<u>130,281</u>	<u>291,255</u>
Shareholders' funds	9	<u>130,283</u>	<u>291,257</u>

These financial statements of the company, registered number 03531814, were approved by the Board on
26 October 2009.


Daniel Philip Levy
Director

The accompanying notes are an integral part of this balance sheet.

ENIC Entertainment (Restaurants) Limited

Notes to the accounts

Year ended 31 December 2008

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom law and accounting standards. The principal accounting policies, which have been applied consistently throughout the current year and prior period, are shown below. The company has taken advantage of the exemption from preparing consolidated financial statements afforded by section 228 of the Companies Act 1985 because it is a wholly owned subsidiary of ENIC Limited which prepares consolidated financial statements which are publicly available. The company is also, on this basis, exempt from the requirement of FRS 1 (revised) to present a cash flow statement.

Going Concern

The accounts are prepared on a going concern basis as discussed in the directors report.

Investment

Fixed assets investments are shown at cost less any provisions for impairment.

Taxation

Current tax is provided at amounts expected to be paid (or received) using the corporate tax rate that has been enacted or substantially enacted by the balance sheet date.

Deferred taxation is provided in full on material timing differences at the rate of taxation anticipated to apply when these differences crystallise. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements.

A deferred tax asset is only recognised where it is more likely than not that it will be recoverable in the future. Deferred tax assets and liabilities recognised have not been discounted.

Tangible fixed assets

Tangible fixed assets are stated at cost or valuation, net of depreciation.

Depreciation

Depreciation is provided on tangible fixed assets at rates calculated to write down the cost less estimated residual value of all tangible assets by equal annual instalments over their expected useful lives. The periods generally applicable are:

Motor vehicles 5 years

2. Loss on ordinary activities before taxation

The company had no employees during the period under review (31 December 2007: nil) other than the directors. No director received or waived any emoluments during the year in respect of their services to the company (31 December 2007: £nil). Fees payable to the company's auditor for the audit of the company's annual accounts were £1,000 (31 December 2007: £1,000). These were borne by ENIC Group, a fellow group company.

ENIC Entertainment (Restaurants) Limited

Notes to the accounts

Year ended 31 December 2008

3. Interest payable

	Year to 31 December 2008 £'000	Year to 31 December 2007 £'000
Group loan interest payable	151,106	139,913

4. Fixed assets – tangible assets

	Motor vehicles £
Cost and net book value	
At 1 January 2008	41,357
Additions during the period	-
At 31 December 2008	41,357
Depreciation at 1 January 2008	18,610
Provided in the year	8,271
At 31 December 2008	26,881
Net book value at 31 December 2008	14,476
Net book value at 31 December 2007	22,747

ENIC Entertainment (Restaurants) Limited

Notes to the accounts

Year ended 31 December 2008

5. Investments

ENIC Entertainment (Restaurants) Limited is the holding company and owns 100% of the share capital in WB/ENIC Entertainment Soundstage Restaurants L.P. (incorporated in the U.S.A.) which owned a restaurant venture, WB Stage 16, in Las Vegas. The restaurant was closed in January 2003 and the leasehold agreement was terminated which enabled the lessor to release the site to a third party at a significantly increased rent. As part of this termination, WB/ENIC Entertainment Soundstage Restaurants L.P. is entitled to annual instalment payments.

The company also holds an investment in Classic Building and Design VII LLC, a company set up to design, build and sell residential property in Florida.

	Unlisted investments £
Cost	
At 1 January 2008	11,551,489
Additions as 31 December 2008	157,473
	<u>11,708,962</u>
Provision for impairment	
At 1 January 2008 and 31 December 2008	(8,501,003)
Net book value	<u>3,207,959</u>

6. Debtors

	31 December 2008 £	31 December 2007 £
Amounts owed by parent undertaking	<u>2</u>	<u>2</u>

7. Creditors: amounts falling due within one year

	31 December 2008 £	31 December 2007 £
Amounts owed to Group companies	<u>(3,092,154)</u>	<u>(2,781,978)</u>

8. Share capital

	31 December 2007 £	31 December 2006 £
Authorised:		
1,000 ordinary shares of £1 each (Dec 2006: £1)	<u>1,000</u>	<u>1,000</u>
Allotted, called up and not paid:		
2 ordinary shares of £1 each (Dec 2006: £1)	<u>2</u>	<u>2</u>

ENIC Entertainment (Restaurants) Limited

Notes to the accounts

Year ended 31 December 2008

9. Reconciliation of movements in shareholders' deficit

	Year to 31 December 2008 £'000	Year to 31 December 2007 £'000
Shareholders' deficit brought forward	291,257	439,441
Loss for the period	(160,974)	(148,184)
Shareholders' deficit carried forward	<u>130,283</u>	<u>291,257</u>

10. Tax on loss on ordinary activities

The charge to UK and overseas corporation tax is reconciled as follows:

	Year to 31 December 2008 £'000	Year to 31 December 2007 £'000
Loss on ordinary activities before taxation	(160,974)	(148,184)
Loss on ordinary activities at standard rate of corporation tax in the UK of 28% (Dec 2007: 30%)	(45,073)	(44,455)
Effect of:		
Non-deductible expenditure	-	-
Losses surrendered to other group companies for nil consideration	45,073	44,455
Current tax charge	<u>-</u>	<u>-</u>

There are no provided or unprovided deferred tax assets in the current year or prior period.

11. Related parties

As a wholly owned subsidiary undertaking of ENIC Limited, the company has taken advantage of the exemption in FRS 8 "Related Party Disclosures" not to disclose transactions with other members of the group headed by ENIC Limited.

12. Ultimate parent undertaking

The directors consider ENIC International Ltd, a company incorporated in the Bahamas, as the ultimate parent undertaking and the ultimate controlling party. The immediate parent company is ENIC Entertainment Limited. ENIC Limited is the parent company of the largest and smallest group of which the company is a member for which group financial statements are being drawn up. Copies of the financial statements of ENIC Limited can be obtained from the company's registered office, 748 High Road, London, N17 0AP.