

## Downing VCT Deal Summary:

## The Thames Club Limited

<b>Sector</b>	Health & Fitness Club		
<b>Downing Investment:</b>	£5.00m	<b>Amount committed by Downing's VCTs:</b>	
<b>Equity:</b>	£1.50m	Downing Protected VCT IV/V:	£1.00m
<b>Loan Notes:</b>	£3.50m	Downing Protected VCT VI/VII:	£2.00m
<b>External Equity:</b>	£0.90m	Downing Protected VCT VIII/IX:	£2.00m

### The Thames Club

The Thames Club is a purpose built health and fitness club based on the south side of Staines in Surrey. The club is over 33,000 sq ft with a car park with 160 spaces. It is equipped with a gym, studio, swimming pool, treatment rooms, sports bar, café, kitchen, crèche, function room and meeting rooms. Although the club is currently generally well maintained and in good order cosmetically, being relatively new, the interior is a little sterile and will benefit from a re-design to create a more club like atmosphere. The new management team intend to update the club's look and improve the lighting and aesthetics throughout as well as enhance the overall structure of the building. Members will be getting a club with better facilities and a considerably improved look and feel.



The new management team will also work to increase revenue and profitability by building membership figures. At the end of April 2008, there were approximately 2,200 members, but through further investment in the club we are aiming to increase membership levels substantially over the next five years.

**Website:** [www.thethamesclub.co.uk](http://www.thethamesclub.co.uk)

### Downing Corporate Finance Limited

Kings Scholars House  
230 Vauxhall Bridge Road  
London SW1V 1AU

t: 020 7416 7780  
e: [paul.beaumont@downing.co.uk](mailto:paul.beaumont@downing.co.uk)  
w: [www.downing.co.uk](http://www.downing.co.uk)



Aerial view of the site



Club swimming pool

### Management

Stephen Lewis, who is also responsible for the Downing Protected investment in the Really Fine Leisure Company, will manage the club, with non-executive support from Nick Taplin, who runs Cadbury House, another Downing Protected investment. Both are experienced operators who have committed personal funds to the project which ranks behind the Downing Investment.

### Security

Downing Protected VCTs' loans are secured by a first charge over the land and buildings and rank ahead of the management's investment.

#### Downing Protected VCTs

The Downing Protected VCTs focus on investing in companies which own substantial assets. They seek to take security over assets (e.g. freehold pubs, health clubs, nurseries etc) and accept lower returns than most other VCTs in return for lower risk.

Downing Protected VCT I, which was launched in 1997, has no fixed wind-up date and seeks to provide an attractive dividend yield for its shareholders. Downing Protected VCTs II-III (launched 2004/05), Downing Protected VCTs IV-V (launched 2005/06), Downing Protected VCTs VI-VII (launched 2006/07) and Downing Protected VCTs VIII-IX (launched 2007/08) all have limited lives of four to seven years.

#### Downing Corporate Finance

Downing was incorporated in 1986 and specialises in tax efficient investments. Downing is the market leading promoter of VCTs, having raised approximately £300 million in the last four tax years. Downing has raised funds for third party VCT managers, such as Ingenious Media and NVM Private Equity, as well as its own Downing Protected VCTs.

#### Important Notice

This document has been prepared for shareholders in the Downing Protected VCTs and their advisers. It is for information only and does not constitute an offer or invitation to apply for shares in any VCT. No reliance may be placed on the information contained herein in applying for shares or purchasing shares in the secondary market.

This document has been prepared by Downing Corporate Finance Limited ("Downing") on behalf of the relevant VCTs. Downing does not provide advice and investors should seek independent financial advice before making any investment decisions. In particular, any decision to invest in new shares in a VCT should only be made based on consideration of the relevant prospectus and investors should note that VCTs are high risk, long-term and often illiquid investments.

Downing Corporate Finance Limited is authorised and regulated by the Financial Services Authority. Registered in England No. 2053006. Registered Office: Kings Scholars House, 230 Vauxhall Bridge Road, London SW1V 1AU. VAT No. 480 7493 22.

### Downing Corporate Finance Limited

Kings Scholars House  
230 Vauxhall Bridge Road  
London SW1V 1AU

t: 020 7416 7780  
e: paul.beaumont@downing.co.uk  
w: www.downing.co.uk