

THE LEISURE CIRCLE LIMITED

ANNUAL REPORT & FINANCIAL STATEMENTS

For the year ended 31 December 2009

Reg. No. 01295669

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THE LEISURE CIRCLE LIMITED

Directors' Report for the year ended 31 December 2009

The Directors present their annual report and financial statements of the Company for the year ended 31 December 2009

Principal activities and business review

The company did not trade during the year and is not expected to trade during the next year. Other operating income arose from the company's 1% share in The Leisure Circle Partnership. As a result of the sale agreement dated 18 December 2008, effective from 1 January 2009 and confirmed on 15 January 2009, Bertelsmann A G sold its shares in The Leisure Circle Limited to Aurelius Corporate Development GmbH. The Partnership's ultimate holding company is now Aurelius AG, which is incorporated in Germany.

The company has significant net current assets and net assets and is not exposed to any significant risks other than in respect of the carrying value of its investments and receivables. There are no indicators of impairment present at the balance sheet date.

Going concern

A review of the company's principal risks and uncertainties is detailed above. Having considered these risks, and the ongoing uncertainty in the global economic environment, the directors are confident that the company will be able to meet its liabilities as they fall due for the foreseeable future. For this reason, the directors continue to adopt the going concern basis in the preparation of the financial statements.

Proposed dividend

The directors do not recommend the payment of a dividend (2008: £nil).

Directors and directors' interests

The Directors who served during the period to date were

	Appointed	Resigned
G. Saul	-	11 03 2009
F. Carro de Prada	-	15 01 2009
D. Kitzinger	11 03 2009	-
P. Wagner	15 01 2009	-
J. Whittington	31 03 2008	-

None of the directors who held office at the end of the financial period had any disclosable interest in the shares of the company.

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and each director has taken all the steps that he/she ought to have taken as a director 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 s418 of the Companies Act 2006.

Donations

The company made no political or charitable donations during the year (2008: £nil).

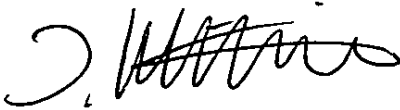
THE LEISURE CIRCLE LIMITED

Directors' Report for the year ended 31 December 2009 (continued)

Auditors

Deloitte LLP were appointed auditors during the year Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and Deloitte LLP will therefore continue in office

BY ORDER OF THE BOARD



John Whittington
Director
1 December 2010

Registered office
Hargreaves Road
Groundwell Industrial Estate
SWINDON
SN25 5BG

THE LEISURE CIRCLE 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 the law the directors have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

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 those 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,
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that its financial statements comply with the Companies Act 2006. They have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE LEISURE CIRCLE LIMITED

We have audited the financial statements of The Leisure Circle Limited for the year ended 31 December 2009 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 10. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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

As explained more fully in the Statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2009 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE LEISURE CIRCLE LIMITED
(continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

M. L. Lee-Amies

Mark Lee-Amies (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditors
London
1 December 2010

THE LEISURE CIRCLE LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2009

	Notes	2009	2008
		£	£
Other operating income	2	321	589
Other operating costs	2	-	(100)
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		321	489
Tax (charge)/credit on profit on ordinary activities	3	(91)	214
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION AND RETAINED PROFIT FOR THE FINANCIAL YEAR		230	703
ACCUMULATED PROFIT, brought forward		493,662	492,959
		<hr/>	<hr/>
ACCUMULATED PROFIT, carried forward		493,892	493,662
		<hr/>	<hr/>

All activities are continuing


The company has no recognised gains and losses other than the profits and losses above and therefore no separate statement of total recognised gains and losses has been presented

THE LEISURE CIRCLE LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2009

	Notes	2009 £	2008 £
FIXED ASSETS			
Investments	4	<u>23,861</u>	<u>23,861</u>
CURRENT ASSETS			
Debtors	5	1,470,122	1,469,801
CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR	6	<u>(91)</u>	<u>-</u>
Net Current Assets		<u>1,470,031</u>	<u>1,469,801</u>
Net Assets		<u>1,493,892</u>	<u>1,493,662</u>
CAPITAL AND RESERVES			
Called-Up Share Capital	7	1,000,000	1,000,000
Profit and Loss Account		<u>493,892</u>	<u>493,662</u>
Shareholder's Funds	8	<u>1,493,892</u>	<u>1,493,662</u>

These financial statements were approved by the board of directors on 1 December 2010 and were signed on its behalf by



John Whittington
Director

Reg No 01295669

THE LEISURE CIRCLE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

1) ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements except as noted below

a) Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable UK Accounting Standards

Under Financial Reporting Standard Number 1 (revised 1996), the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements

The company has taken advantage of the exemption afforded by section 7 of the Partnerships and Unlimited Companies (Accounts) Regulation 1993 from the requirement to file the accounts of the partnership alongside the company's own accounts on the grounds that the partnership is dealt with on a consolidated basis in group accounts prepared by Aurelius A G (see note 10)

A review of the company's principal risks and uncertainties is detailed in the Directors' Report. Having considered these risks, and the ongoing uncertainty in the global economic environment, the directors are confident that the company will be able to meet its liabilities as they fall due for the foreseeable future. For this reason, the directors continue to adopt the going concern basis in the preparation of the financial statements

b) Investments

Investments are stated at cost less provision for any impairment and comprise the Company's contribution to the capital of the Leisure Circle Partnership, a partnership formed in the United Kingdom and carried on during 2009 with another subsidiary of Aurelius A G. The Company's share of the Partnership's profits and losses is included in other operating income

c) Taxation

Current tax, including UK corporation tax and foreign tax, is provided 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 tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

THE LEISURE CIRCLE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009
(continued)

2) PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	2009 £	2008 £
Profit on ordinary activities before taxation includes		
Income		
Company's 1% share in The Leisure Circle Partnership	321	589
Costs		
Administration costs	<u>-</u>	<u>(100)</u>

The audit fee is borne by a third party with which there is a service agreement and is not recharged to the company. The company had no employees other than directors during either 2009 or 2008.

The directors received remuneration from other Aurelius AG group companies. The allocation for their services to this company was £nil (2008 £nil).

3) TAX ON PROFIT/LOSS ON ORDINARY ACTIVITIES

Analysis of charge/(credit) in the year	2009 £	2008 £
UK corporation tax		
Current tax charge on profit for the year	91	-
Adjustments in respect of prior periods	-	(214)
Tax charge/(credit) on profit on ordinary activities	<u>91</u>	<u>(214)</u>

United Kingdom corporation tax is charged at 28% (2008 28.5%)

Current tax reconciliation	2009 £	2008 £
Profit on ordinary activities before tax	<u>321</u>	<u>489</u>
Current tax at 28% (2008 28.5%)	91	139
Effects of		
Group relief given but no payment required	-	(139)
Adjustments to tax charge in respect of previous periods	-	(214)
Tax charge/(credit) on profit on ordinary activities	<u>91</u>	<u>(214)</u>

THE LEISURE CIRCLE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER

2009 (continued)

4) INVESTMENTS

	2009 £	2008 £
Investment in The Leisure Circle Partnership		
Cost	27,056	27,056
Provision for impairment	(3,195)	(3,195)
	<u>23,861</u>	<u>23,861</u>

5) DEBTORS

	2009 £	2008 £
Amounts falling due within one year		
Amounts owed by The Leisure Circle Partnership	1,470,122	1,469,801
	<u>1,470,122</u>	<u>1,469,801</u>

**6) CREDITORS AMOUNTS FALLING DUE
WITHIN ONE YEAR**

	2009 £	2008 £
Corporation Tax payable	91	-
	<u>91</u>	<u>-</u>

7) CALLED-UP SHARE CAPITAL

	2009 £	2008 £
Authorised, allotted, called up and fully paid 1,000,000 shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>

8) RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2009 £	2008 £
Opening shareholders' funds	1,493,662	1,492,959
Profit for the financial year	230	703
Closing shareholders' funds	<u>1,493,892</u>	<u>1,493,662</u>

THE LEISURE CIRCLE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009
(continued)

9) GUARANTEES AND OTHER FINANCIAL COMMITMENTS

a) Capital Commitments

There were no capital commitments at the end of the year (2008 £nil)

b) Other Commitments

The ultimate holding company has undertaken to discharge any outstanding obligations or liabilities arising out of the business previously carried on by the company

10) PARENT AND ULTIMATE HOLDING COMPANY

As a result of the sale agreement dated 18 December 2008, effective from 1 January 2009 and confirmed on 15 January 2009, Bertelsmann A G sold its shares in The Leisure Circle Limited to Aurelius Corporate Development GmbH. The company's ultimate holding company is now Aurelius AG, which is incorporated in Germany.

The consolidated financial statements of Aurelius AG are available on request from The Public Relations Department, Bavariaring 11, 80336 Munich, Germany