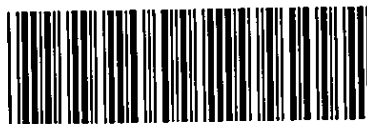


Registration number 1948599

Stapleford Park Limited
Directors' Report and Financial Statements
for the year ended 31 December 2005

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Stapleford Park Limited

Company information

Directors	R Tang S Hussain
Secretary	R Tang
Company number	1948599
Registered office	E3 The Premier Centre Abbey Park Romsey Hants SO51 9AQ
Business address	Stapleford Park Melton Mowbray Leicestershire LE14 2EF
Auditors	Moore Stephens Abbotsbury House 156 Upper New Walk Leicester LE1 7QA
Bankers	Barclays Bank Plc 50 Pall Mall London SW1A 1QA

Stapleford Park Limited

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Stapleford Park Limited

Directors' Report for the year ended 31 December 2005

The directors present their report and the financial statements for the year ended 31 December 2005

Principal activity and review of the business

The company is principally engaged in running a luxury country house hotel, sporting estate and membership club

Results and dividends

The results for the year are set out on page 5

The Directors do not recommend payment of a final dividend

Fixed assets

The directors are of the opinion that in aggregate the market value of land and buildings exceeds its book value by approximately £4m

Directors and their interests

The Directors who served during the year and their interests in the company are as stated below

	Class of share	31/12/05	31/12/04
R Tang	Ordinary shares	-	-
S Hussain	Ordinary shares	-	-

Directors' responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company and of the profit or loss of the company for that year. In preparing these the directors are required to

- select suitable accounting policies and apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- 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 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

The directors of a company must, in determining how amounts are presented within items in the profit and loss account and balance sheet, have regard to the substance of the reported transaction or arrangement, in accordance with generally accepted accounting principles and practice

Stapleford Park Limited

**Directors' Report
for the year ended 31 December 2005**

continued

Auditors

Moore Stephens were appointed auditors to the company and in accordance with Section 385 of the Companies Act 1985, a resolution proposing their reappointment will be put to the Annual General Meeting

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


**R. Tang
Director**

Date:

12 March 2007

Stapleford Park Limited

Independent auditors' report to the shareholders of Stapleford Park Limited

We have audited the financial statements of Stapleford Park Limited for the year ended 31 December 2005 which comprise the profit and loss account, the balance sheet, the cash flow statement, the statement of total recognised gains and losses and the related notes. These financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out therein.

This report is made solely to the company's shareholders, 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 shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 if, in our opinion, the Directors' Report is not consistent with the financial statements, if 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 transactions with the company 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 except that the scope of our work was limited as explained below. 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. However, the evidence available to us was limited and we were unable to carry out all of the procedures necessary to verify debtors, creditors and stock because our appointment as auditors of the company did not take effect until after the Balance Sheet date. Similarly we have been unable to verify the carrying value of those assets and liabilities at 31 December 2004.

Stapleford Park Limited

Independent auditors' report to the shareholders of Stapleford Park Limited continued

Emphasis of Matter - Going Concern

In forming our opinion, we have considered the adequacy of the disclosures made in the financial statements concerning the company's ability to continue as a going concern. The company incurred a net loss during the year ended 31 December 2005 of £1,682,758 and, as of that date, the company's total liabilities exceeded its total assets by £1,093,128. These conditions, along with other matters set out in Note 12 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include any adjustments that would result from a failure to continue as a going concern. Details of the circumstances relating to this emphasis of matter are described in Note 12. Our opinion is not qualified in this respect.

Opinion: disclaimer on view given by financial statements

In forming our opinion, we have considered the adequacy of the company's accounting controls to ensure the completeness of trading income. We have found those controls to be inadequate during the period under review.

In respect of the limitation in scope of our work referred to above and the inadequacy of controls over trading income, we are unable to form an opinion as to whether 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 2005 and of its loss for the year then ended, and

have been properly prepared in accordance with the Companies Act 1985.



Moore Stephens
Chartered Accountants and
Registered Auditors

5 April 2007

Abbotsbury House
156 Upper New Walk
Leicester
LE1 7QA

Stapleford Park Limited

Profit and Loss Account for the year ended 31 December 2005

		2005	2004
	Notes	£	£
Turnover	2	4,378,545	4,239,691
Cost of sales		(802,354)	(737,739)
Gross profit		3,576,191	3,501,952
Administrative expenses		(4,441,524)	(4,306,873)
Exceptional administrative expenses		(25,000)	-
Other operating income		6,000	6,000
Operating loss	3	(884,333)	(798,921)
Interest payable and similar charges	4	(731,611)	(809,081)
Loss on ordinary activities before taxation		(1,615,944)	(1,608,002)
Tax on loss on ordinary activities		-	-
Loss on ordinary activities after taxation		(1,615,944)	(1,608,002)
Loss for the year	13	(1,615,944)	(1,608,002)

There are no recognised gains or losses other than the profit or loss for the above two financial years

Note of historical cost profits and losses

Loss on ordinary activities before taxation	(1,615,944)	(1,608,002)
Difference between an historical cost depreciation charge and the actual depreciation charge of the year calculated on the revalued amount	80,530	80,530
Historical cost loss on ordinary activities before taxation	(1,535,414)	(1,527,472)
Historic cost loss for the year retained after taxation and dividends	(1,535,414)	(1,527,472)

The notes on pages 8 to 18 form an integral part of these financial statements.

Stapleford Park Limited

**Balance Sheet
as at 31 December 2005**

	Notes	2005		2004	
		£	£	£	£
Fixed assets					
Tangible assets	6	16,480,237		16,803,975	
Current assets					
Stocks	7	132,634		115,923	
Debtors	8	362,432		314,586	
Cash at bank and in hand		251,097		276,017	
		<u>746,163</u>		<u>706,526</u>	
Creditors: amounts falling due within one year	9	<u>(2,074,957)</u>		<u>(2,028,605)</u>	
Net current liabilities		<u>(1,328,794)</u>		<u>(1,322,079)</u>	
Total assets less current liabilities		15,151,443		15,481,896	
Creditors: amounts falling due after more than one year	10	(15,995,207)		(14,703,716)	
Accruals and deferred income	11	<u>(182,550)</u>		<u>(188,550)</u>	
Net (liabilities)/assets		<u><u>(1,026,314)</u></u>		<u><u>589,630</u></u>	
Capital and reserves					
Called up share capital	12	3,798,067		3,798,067	
Revaluation reserve	13	3,785,255		3,865,785	
Profit and loss account	13	<u>(8,609,636)</u>		<u>(7,074,222)</u>	
Equity shareholders' funds	14	<u><u>(1,026,314)</u></u>		<u><u>589,630</u></u>	

The financial statements were approved by the Board and signed on its behalf by

R Tang
Director

Date:

12 March 2007

The notes on pages 8 to 18 form an integral part of these financial statements.

Stapleford Park Limited

Cash flow statement for the year ended 31 December 2005

	Notes	2005 £	2004 £
Reconciliation of operating loss to net cash outflow from operating activities			
Operating loss		(884,333)	(798,921)
Depreciation		673,945	467,179
(Increase) in stocks		(16,711)	5,382
(Increase) in debtors		(47,846)	155,402
Increase in creditors		74,899	(342,926)
Government grant released		(6,000)	(6,000)
Net cash outflow from operating activities		<u>(206,046)</u>	<u>(519,884)</u>
Cash flow statement			
Net cash outflow from operating activities		(206,046)	(519,884)
Returns on investments and servicing of finance	20	(731,611)	(809,081)
Capital expenditure	20	(378,754)	(354,243)
		(1,316,411)	(1,683,208)
Financing	20	1,262,944	2,634,446
Decrease in cash in the year		<u>(53,467)</u>	<u>951,238</u>
Reconciliation of net cash flow to movement in net debt (Note 21)			
Decrease in cash in the year		(53,467)	951,238
Cash inflow from decrease in debts and lease financing		(1,262,944)	(2,634,446)
Change in net debt resulting from cash flows		(1,316,411)	(1,683,208)
New finance leases and hire purchase contracts		-	(98,482)
Movement in net debt in the year		(1,316,411)	(1,781,690)
Net debt at 31 December 2004		<u>(15,362,866)</u>	<u>(13,581,176)</u>
Net debt at 31 December 2005		<u>(16,679,277)</u>	<u>(15,362,866)</u>

The notes on pages 8 to 18 form an integral part of these financial statements.

Stapleford Park Limited

Notes to the Financial Statements for the year ended 31 December 2005

1. Accounting policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of certain fixed assets

1.2. Basis of accounting

The directors have adopted the going concern basis in the preparation of these financial statements. Stapleford Park Limited, has incurred losses for the year of £1,682,758. As a result of losses sustained in this year and in past years, its ability to continue to trade and meet its liabilities is dependent upon the continued support of the group's investors. This in turn impacts on its ability to repay group indebtedness generally and the resultant viability of the group.

At 31 December 2005, the group had bank borrowings of £12,000,000, supported by a £5,000,000 stand-by letter of credit in favour of Barclays Bank Plc provided by the group's beneficial owners Innoview Limited. Recently, further funding of £5,000,000 has been granted by Innoview Limited and this has been used to repay part of the bank borrowings. A further £7,000,000 is to be provided shortly by Innoview Limited with a view to repaying the remaining indebtedness to Barclays Bank Plc.

This company's ability to continue as a going concern is dependent on the ongoing support of the company's shareholders and investors. The directors have received written confirmation from those shareholders that

- they will proceed with the further funding of £7,000,000
- it is not their present intention to seek recovery of any amounts due to them by members of the group until at least 28 February 2008

The directors have continued its plans to ensure the group's return to profitability and indications are that there will be a profitable outcome in 2006. The expected return to profitability, together with the shareholders' confirmation of its continued support, has enabled the directors to reach the conclusion that the financial statements should be prepared on a going concern basis.

1.3. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

Stapleford Park Limited

Notes to the Financial Statements for the year ended 31 December 2005

continued

1.4. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost or valuation less residual value of each asset over its expected useful life, as follows

Plant and machinery	-	15% per annum on cost
Fixtures, fittings and equipment	-	15% per annum on cost
Motor vehicles	-	25% per annum on cost

On adoption of Financial Reporting Standard 15, the company has followed the transitional provisions to retain the book value of land which was revalued in 1996, but not to adopt a policy of revaluation in the future

Freehold buildings and the cost of work done to the long leasehold golf course land are depreciated at 2% per annum

An amount equal to the excess of the annual depreciation charge on revalued assets over the notional historical cost depreciation charge on those assets is transferred annually from the revaluation reserve to the profit and loss reserve

The carrying values of tangible fixed assets are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable

1.5. Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce constant periodic rates of charge on the net obligations outstanding in each period

Rentals payable under operating leases are charged against income on a straight line basis over the lease term

1.6. Stock

Stock is valued at the lower of cost and net realisable value, after making allowance for obsolete and slow moving items

Stapleford Park Limited

Notes to the Financial Statements for the year ended 31 December 2005

continued

1.7. Deferred taxation

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 have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold,

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

1.8. Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the Profit and Loss account

1.9. Government grants

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred

2. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK

	2005	2004
	£	£
United Kingdom	<u>4,378,545</u>	<u>4,239,691</u>

Stapleford Park Limited

Notes to the Financial Statements for the year ended 31 December 2005

continued

3. Operating loss	2005	2004
	£	£
Operating loss is stated after charging		
Depreciation and other amounts written off tangible assets	673,945	450,593
Loss on disposal of tangible fixed assets	-	16,586
Operating lease rentals		
- Plant and machinery	9,613	6,138
- Land and buildings	118,132	117,850
Auditors' remuneration	9,100	10,000
Exceptional items		
- Just Six loan written off	25,000	-
and after crediting		
Government grants	6,000	6,000
4. Interest payable and similar charges	2005	2004
	£	£
Interest payable on bank borrowing	-	16,070
Other similar charges payable	714,897	775,162
Hire purchase interest	16,714	17,849
	731,611	809,081
5. Employees		
Number of employees	2005	2004
The average monthly numbers of employees (including the directors) during the year were	Number	Number
Management and administration	23	23
Hotel	91	83
General Estate	48	47
	162	153
Employment costs	2005	2004
	£	£
Wages and salaries	1,878,594	1,876,041
Social security costs	135,465	165,267
	2,014,059	2,041,308

Stapleford Park Limited

Notes to the Financial Statements for the year ended 31 December 2005

continued

6.	Tangible fixed assets	Freehold land and buildings £	Plant and fittings and machinery £	Fixtures, equipment £	Motor vehicles £	Golf course land £	Total £
	Cost/revaluation						
	At 31 December 2004	13,239,402	456,753	2,371,437	112,163	2,903,693	19,083,448
	Additions	118,479	139,032	92,696	-	-	350,207
	At 31 December 2005	13,357,881	595,785	2,464,133	112,163	2,903,693	19,433,655
	Depreciation						
	At 31 December 2004	423,021	217,279	1,425,957	96,438	116,778	2,279,473
	Charge for the year	200,444	99,618	300,086	15,723	58,074	673,945
	At 31 December 2005	623,465	316,897	1,726,043	112,161	174,852	2,953,418
	Net book values						
	At 31 December 2005	12,734,416	278,888	738,090	2	2,728,841	16,480,237
	At 31 December 2004	12,816,381	239,474	945,480	15,725	2,786,915	16,803,975

Under the transitional rules of Financial Reporting Standard No 15, the carrying values of previously revalued assets have been frozen. The valuation has not been updated since the most recent valuation at 31 October 1996.

Freehold land and buildings were valued at £10,000,000 on 31 October 1996 by the directors on the basis of open market value for existing use thereby establishing an original revaluation reserve of £4,026,845.

An impairment review was carried out during the year resulting in a change to the depreciation rates on plant and machinery and fixtures, fittings and equipment from 15% reducing balance to 15% on cost.

Stapleford Park Limited

**Notes to the Financial Statements
for the year ended 31 December 2005**

continued

Included above are assets held under finance leases or hire purchase contracts as follows

Asset description	2005		2004	
	book value	Net Depreciation charge	book value	Net Depreciation charge
	£	£	£	£
Plant and machinery	175,909	86,384	230,855	40,740
Motor vehicles	-	-	31,438	21,313
	<u>175,909</u>	<u>86,384</u>	<u>262,293</u>	<u>62,053</u>

Tangible fixed assets included at a valuation would have been included on a historical cost basis at

	2005	2004
	£	£
Cost	12,234,728	12,116,250
Depreciation	<u>593,006</u>	<u>393,071</u>
Net book value	<u>11,641,722</u>	<u>11,723,179</u>

7. Stocks	2005	2004
	£	£
Raw materials and consumables	46,359	46,295
Finished goods and goods for resale	<u>86,275</u>	<u>69,628</u>
	<u>132,634</u>	<u>115,923</u>

8. Debtors	2005	2004
	£	£
Trade debtors	182,993	142,282
Other debtors	15,110	19,472
Prepayments and accrued income	<u>164,329</u>	<u>152,832</u>
	<u>362,432</u>	<u>314,586</u>

Stapleford Park Limited

**Notes to the Financial Statements
for the year ended 31 December 2005**

continued

9. Creditors: amounts falling due within one year	2005 £	2004 £
Net obligations under finance leases and hire purchase contracts	66,561	95,108
Trade creditors	507,449	428,107
Amounts owed to group undertakings	840,059	840,059
Other taxes and social security costs	200,963	134,335
Other creditors	58,058	58,241
Accruals and deferred income	401,867	472,755
	<u>2,074,957</u>	<u>2,028,605</u>
 10. Creditors: amounts falling due after more than one year	 2005 £	 2004 £
Amounts owed to parent undertakings	15,905,522	14,562,399
Net obligations under finance leases and hire purchase contracts	89,685	141,317
	<u>15,995,207</u>	<u>14,703,716</u>
 Loans		
Repayable in one year or less, or on demand (Note 9)	840,059	840,059
Repayable between two and five years	15,905,522	14,562,399
	<u>16,745,581</u>	<u>15,402,458</u>
 Net obligations under finance leases and hire purchase contracts		
Repayable within one year	66,561	95,108
Repayable between one and five years	89,685	141,317
	<u>156,246</u>	<u>236,425</u>

Stapleford Park Limited

Notes to the Financial Statements for the year ended 31 December 2005

continued

11. Accruals and deferred income	2005	2004
	£	£
Government grants		
At 31 December 2004	188,550	194,550
Released in year	(6,000)	(6,000)
At 31 December 2005	<u>182,550</u>	<u>188,550</u>

The above grants were received from the English Tourist Board

12. Share capital	2005	2004
	£	£
Authorised equity		
50,456,110 Ordinary shares of £0 10 each	<u>5,045,611</u>	<u>5,045,611</u>
Allotted, called up and fully paid equity		
37,980,655 Ordinary shares of £0 10 each	<u>3,798,067</u>	<u>3,798,067</u>

13. Equity Reserves	Revaluation reserve	Profit and loss account	Total
	£	£	£
At 31 December 2004	3,865,785	(7,074,222)	(3,208,437)
Transfer to/from revaluation reserve	(80,530)	80,530	-
Loss for the year		(1,615,944)	(1,615,944)
At 31 December 2005	<u>3,785,255</u>	<u>(8,609,636)</u>	<u>(4,824,381)</u>

14. Reconciliation of movements in shareholders' funds	2005	2004
	£	£
Loss for the year	(1,615,944)	(1,608,002)
Opening shareholders' funds	<u>589,630</u>	<u>2,197,632</u>
Closing shareholders' funds	<u>(1,026,314)</u>	<u>589,630</u>

Stapleford Park Limited

Notes to the Financial Statements for the year ended 31 December 2005

continued

15. Financial commitments

At 31 December 2005 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings		Other	
	2005	2004	2005	2004
	£	£	£	£
Expiry date:				
Between one and five years	-	10,000	-	31,096
In over five years	113,080	100,000	-	-
	<u>113,080</u>	<u>110,000</u>	<u>-</u>	<u>31,096</u>

16. Contingent liabilities

The company is party to a composite accounting system with its bankers, whereby there is full set-off between the company and its immediate parent, Arlaform Limited, of all bank accounts and guarantees of bank borrowings

17. Transactions with Directors

The following Directors had interest free loans during the year The movements on these loans are as follows

	Amount owing		Maximum
	2005	2004	in year
	£	£	£
S Hussam	<u>5,170</u>	<u>-</u>	<u>5,170</u>

Stapleford Park Limited

Notes to the Financial Statements for the year ended 31 December 2005

continued

18. Related party transactions

The company made payments of £714,897 (2004 £736,716) to Arlaform Limited to cover interest costs, together with a management charge of £20,000 (2004 £30,000). The balance due to Arlaform Limited at the year end amounted to £16,745,581 (2004 £15,402,458).

During the year, the company loaned £25,000 (2004 Nil) to Anderson Wharf LLP, a business in which both Mr R Tang and the company are members. This loan has been written off in these financial statements.

During the year, the company provided accommodation and similar services to a value of £56,037 (2004 £9,436) to Just Six, a business in which Mr Tang and the company are investors. This amount has been written off in these financial statements.

19. Ultimate parent undertaking

The directors consider that the ultimate parent undertaking of this company is Arlacross Limited, a company registered in England.

Innoview Limited is the company's controlling related party under the definitions set out in Financial Reporting Standard No. 8 by virtue of its shareholding in that company.

20. Gross cash flows

	2005 £	2004 £
Returns on investments and servicing of finance		
Interest paid	(731,611)	(809,081)
Capital expenditure		
Payments to acquire tangible assets	(350,207)	(398,539)
Receipts from sales of tangible assets	-	44,296
	<u>(350,207)</u>	<u>(354,243)</u>
Financing		
Other new long term loans	1,343,123	3,363,888
Repayment of other short term loans	-	(635,880)
Capital element of finance lease contracts	(80,179)	(93,562)
	<u>1,262,944</u>	<u>2,634,446</u>

Stapleford Park Limited

Notes to the Financial Statements for the year ended 31 December 2005

continued

21. Analysis of changes in net funds

	Opening balance	Cash flows	Other changes	Closing balance
	£	£	£	£
Cash at bank and in hand	276,017	(24,920)		251,097
Debt due within one year	(840,059)	-	-	(840,059)
Debt due after one year	(14,562,399)	(1,343,123)	-	(15,905,522)
Finance leases and hire purchase contracts	(236,425)	51,632	28,547	(156,246)
	(15,638,883)	(1,291,491)	28,547	(16,901,827)
Net funds	(15,362,866)	(1,316,411)	28,547	(16,650,730)

22. Comparative amounts

Changes to certain comparative amounts have been made where necessary in order to ensure consistency

Stapleford Park Limited

The following pages do not form part of the statutory financial statements

Stapleford Park Limited

**Detailed Trading Profit and Loss Account
for the year ended 31 December 2005**

	2005		2004	
	£	£	£	£
Sales		4,378,545		4,239,691
Cost of sales				
Purchases	802,354		737,739	
		(802,354)		(737,739)
Gross profit	82%	3,576,191	83%	3,501,952
Administrative expenses				
Wages and salaries	1,878,594		1,876,041	
Employer's NI contributions	135,465		165,267	
Staff training	-		3,107	
Operating lease rentals - land & blds	118,132		117,850	
Rates	159,127		161,582	
Management charges	20,000		-	
Insurance	107,843		139,775	
Leasing of plant and machinery	9,613		6,138	
Light and heat	173,450		207,382	
Cleaning	106,656		14,316	
Repairs and maintenance	245,897		101,014	
Printing, postage and stationery	54,479		40,438	
Advertising	339,074		336,187	
Computer costs	9,081		-	
Hire of equipment	16,765		26,661	
Motor, travel and entertaining	44,539		72,302	
Legal and professional	62,497		152,998	
Audit	9,100		10,000	
Bank charges	58,084		40,874	
Bad debts	14,842		6,186	
Staff welfare	109,337		80,249	
General expenses	95,004		281,286	
Charitable donations - covenanted	-		41	
Depreciation on freehold property	258,518		256,665	
Depreciation on plant and machinery	99,618		42,260	
Depreciation on fixtures & equipment	300,086		129,593	
Depreciation on motor vehicles	15,723		22,075	
Profits/losses on disposal of tangible assets	-		16,586	
Exceptional administration items	25,000		-	
		4,466,524		4,306,873
Other operating income				
Government grants received	6,000		6,000	
		6,000		6,000
Operating loss	20%	(884,333)	19%	(798,921)

Stapleford Park Limited

**Detailed Trading Profit and Loss Account
for the year ended 31 December 2005**

	2005		2004	
	£	£	£	£
Other income and expenses				
Interest payable				
Bank interest	-		16,070	
Interest on loans repayable				
in more than 5 years	714,897		775,162	
Hire Purchase interest and finance lease charges	16,714		17,849	
		<u>(731,611)</u>		<u>(809,081)</u>
Net loss for the year		<u><u>(1,615,944)</u></u>		<u><u>(1,608,002)</u></u>