

ASPECT GOLF AND LEISURE LIMITED

**DIRECTORS' REPORT AND
FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2006**

S H LANDES LLP

CHARTERED ACCOUNTANTS AND REGISTERED AUDITORS

Company number: 2100925



ASPECT GOLF AND LEISURE LIMITED
INDEX TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2006

Contents	Page
Company information	1
Report of the directors	2-3
Auditors' report	4-5
Profit and loss account	6
Balance sheet	7
Notes to the financial statements	8-13
Detailed accounts (for management use only)	14

ASPECT GOLF AND LEISURE LIMITED**COMPANY INFORMATION****DIRECTORS**

R. J. C. Paterson
J. N. Hollond
M. J. Fresson
D. P. Walsh
R. D. Johnson

SECRETARY

R. J. C. Paterson

REGISTERED OFFICE

5th Floor, Walmar House
288 Regent Street
London
W1B 3AL

AUDITORS

S H Landes LLP
Chartered Accountants and
Registered Auditors
5th Floor, Walmar House
288 Regent Street
London
W1B 3AL

BANKERS

HSBC Plc
6 Market Place
Henley On Thames
Oxfordshire
RG9 2AN

ASPECT GOLF AND LEISURE LIMITED

REPORT OF THE DIRECTORS

The directors present their report and the audited financial statements for the year ended 31 March 2006.

PRINCIPAL ACTIVITY AND FUTURE DEVELOPMENTS

The principal activity of the company was that of a golf club. The results for the year are set out on page 6.

DIRECTORS AND THEIR INTERESTS

The directors who served during the year and their beneficial interests in the company's share capital were as follows:

	31 March 2006	31 March 2005
R. J. C. Paterson	-	-
J. N. Hollond	-	-
M. J. Fresson	-	-
D. P. Walsh	-	-
R. D. Johnson	-	-

Each of the directors is a member in Park Place Estates LLP which holds the entire issued share capital of the company.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which 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;
- prepare the financial statements on a 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.

ASPECT GOLF AND LEISURE LIMITED**REPORT OF THE DIRECTORS**
(continued)

So far as each director at the date of approval is aware:

- there is no relevant audit information of which the company's auditors are unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.


AUDITORS

The auditors, S H Landes LLP, will be proposed for re-appointment in accordance with S.385 of the Companies Act 1985.

SMALL COMPANY RULES

This report has been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985.

This report was approved by the board on12/12/06.... and signed on its behalf by:

8


R. J. C. Paterson - Secretary

INDEPENDENT AUDITORS' REPORT
TO THE SHAREHOLDERS OF
ASPECT GOLF AND LEISURE LIMITED

We have audited the financial statements of Aspect Golf and Leisure Limited for the year ended 31 March 2006 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005) and 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 auditor's 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 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 and whether the information given in the Directors' Report is consistent with the financial statements. We also 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 transactions with the company is not disclosed.

We report to you whether in our opinion the information given in the directors' report is consistent with the financial statements.

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 accounts. It also includes an assessment of the significant estimates and judgments 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 accounts.

INDEPENDENT AUDITORS' REPORT
TO THE SHAREHOLDERS OF
ASPECT GOLF AND LEISURE LIMITED
(continued)

Opinion

In our opinion:

- the accounts give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, applicable to smaller entities, of the state of the company's affairs as at 31 March 2006 and of its loss for the year then ended;
- the accounts have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the accounts.

Emphasis of matter - going concern

Without qualifying our opinion, we draw attention to note 14 in the financial statements which indicates that the company incurred a net loss of £366,982 during the year ended 31 March 2006, and at that date the company's total liabilities exceeded its total assets by £233,410. These conditions, along with other matters as set out in note 14, indicate the existence of a considerable uncertainty which casts significant doubt over the company's ability to continue as a going concern. These financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

S H LANDES LLP
CHARTERED ACCOUNTANTS AND
REGISTERED AUDITORS

5th Floor, Walmar House
288 Regent Street
London
W1B 3AL

SH Landes LLP

Date:

26/1/07

ASPECT GOLF AND LEISURE LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2006**

	Notes	2006 £	Period ended 31 March 2005 £
TURNOVER	2	247,658	620,322
Cost of sales		(127,145)	(133,378)
GROSS PROFIT		120,513	486,944
Administration expenses		(487,338)	(549,658)
OPERATING LOSS	3	(366,825)	(62,714)
Interest receivable and similar income		1,504	1,351
Interest payable and similar charges		(1,661)	(4,511)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(366,982)	(65,874)
Tax on loss on ordinary activities	5	-	-
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION, BEING LOSS FOR THE FINANCIAL YEAR		<u>(366,982)</u>	<u>(65,874)</u>

The attached notes form part of these financial statements.

ASPECT GOLF AND LEISURE LIMITED

BALANCE SHEET AT 31 MARCH 2006

	Notes	2006	2005
		£	£
FIXED ASSETS			
Tangible assets	6	1,785,087	1,801,744
CURRENT ASSETS			
Stock		5,000	2,894
Debtors	7	1,396,040	260,272
Cash at bank and in hand		35,054	80,492
		<u>1,436,094</u>	<u>343,658</u>
CREDITORS: amounts falling due within one year	8	<u>(2,302,344)</u>	<u>(851,976)</u>
NET CURRENT LIABILITIES		<u>(866,250)</u>	<u>(508,318)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>918,837</u>	<u>1,293,426</u>
CREDITORS: amounts falling due after one year	9	<u>(1,152,247)</u>	<u>(1,159,854)</u>
NET (LIABILITIES)/ASSETS		<u><u>(233,410)</u></u>	<u><u>133,572</u></u>
CAPITAL AND RESERVES			
Share capital	10	50	50
Profit and loss account	11	(1,708,414)	(1,341,432)
Share premium account	11	1,474,954	1,474,954
SHAREHOLDERS' FUNDS	12	<u><u>(233,410)</u></u>	<u><u>133,572</u></u>

The financial statements have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985.

The financial statements were approved by the board on 12/12/06 and signed on its behalf by:

8 
R. J. C. Paterson - Director


M. J. Fresson - Director

The attached notes form part of these financial statements.

ASPECT GOLF AND LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006

1. ACCOUNTING POLICIES

(a) Basis of accounting

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005) and that the company continues as a going concern.

(b) Tangible fixed assets and depreciation

Depreciation is provided on tangible fixed assets at rates calculated to write off their cost less their estimated residual value over their expected useful lives. The applicable annual rates are:

Plant and machinery	25% reducing balance
Office and computer equipment	25% reducing balance
Motor vehicles	25% reducing balance

No depreciation is provided on freehold land and buildings and improvements as the useful economic lives of these assets are of such length (and the residual values are not materially different from the carrying amount) that any depreciation would not be material. Residual values are prices prevailing at the date of the last valuation. The value is reviewed annually in accordance with the requirements of Financial Reporting Standard 15, and any diminution in value is provided in the profit and loss account.

The company has incurred expenditure on redevelopment of its golf course and the adjoining estate, and has capitalised a proportion of this expenditure as development costs. The remainder is recharged to Park Place Estates LLP. The split of the expenditure is based on the proportions of Park Place Estate held by the LLP and the company.

(c) Deferred taxation

The charge for taxation takes into account taxation deferred as a result of timing differences between the treatment of certain items for taxation and accounting purposes. In general, deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. However, 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 taxation is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which the timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

(d) Subscriptions

Subscription income receivable from club members is accounted for in the year to which it relates, on a full accruals basis.

(e) Stock

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

ASPECT GOLF AND LEISURE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2006**

(continued)

1. ACCOUNTING POLICIES (continued)

(f) Leasing and hire purchase contracts

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives. Assets acquired under hire purchase contracts are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. 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 a constant periodic rate of charge on the net obligation outstanding in each period. Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the profit and loss account as incurred.

2. TURNOVER AND LOSS

Turnover comprises amounts derived from the provision of activities falling within the company's ordinary activities after deduction of value added tax.

The turnover and loss before taxation is attributable to the one principal activity of the company.

3. LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

	2006	2005
	£	£
This is stated after charging or crediting:		
Depreciation of owned tangible fixed assets	8,999	14,569
Depreciation of tangible fixed assets held under finance leases and hire purchase contracts	6,662	10,610
Auditors' remuneration	6,900	5,000
	=====	=====

4. DIRECTORS' REMUNERATION

	2006	2005
	£	£
Emoluments	-	1,700
	=====	=====

5. TAXATION

There is no charge to corporation tax due to losses incurred.

ASPECT GOLF AND LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2006

(continued)

6. TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Development costs £	Plant and machinery £	Total £
Cost:				
At 1 February 2005	1,770,017	208,671	309,457	2,288,145
Additions	-	32,493	-	32,493
	-----	-----	-----	-----
At 31 March 2006	1,770,017	241,164	309,457	2,320,638
	-----	-----	-----	-----
Depreciation:				
At 1 February 2005	239,593	-	246,808	486,401
Charge for the year	-	-	15,661	15,661
Impairment	-	-	33,489	33,489
	-----	-----	-----	-----
At 31 March 2006	239,593	-	295,958	535,551
	-----	-----	-----	-----
Net book value:				
At 31 March 2006	1,530,424	241,164	13,499	1,785,087
	=====	=====	=====	=====
At 31 January 2005	1,530,424	208,671	62,649	1,801,744
	=====	=====	=====	=====

Included in the total net book value of tangible fixed assets held at 31 March 2006 was £13,499 (2005: £26,649) in respect of assets held under hire purchase contracts.

7. DEBTORS

	2006 £	2005 £
Trade debtors	1,336	-
Other debtors	61,558	50,610
Prepayments and accrued income	1,333,146	209,662
	-----	-----
	1,396,040	260,272
	=====	=====

ASPECT GOLF AND LEISURE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2006
(continued)**

8. CREDITORS: amounts falling due within one year

	2006	2005
	£	£
Debenture loans	-	17,500
Obligations under finance leases and hire purchase contracts	7,607	11,356
Trade creditors	218,200	27,961
Amounts owed to parent undertaking	1,977,728	646,845
Amounts owed to group undertaking	43,352	36,027
Other taxes and social security costs	2,434	4,630
Other creditors	-	10,609
Accruals and deferred income	53,023	97,048
	<u>2,302,344</u>	<u>851,976</u>

9. CREDITORS: amounts falling due after one year

	2006	2005
	£	£
Obligations under finance leases and hire purchase contracts	1,624	9,231
Other creditors	1,150,623	1,150,623
	<u>1,152,247</u>	<u>1,159,854</u>

10. SHARE CAPITAL

	2006	2005
	£	£
Authorised:		
50 ordinary shares of £1 each	50	50
	<u>50</u>	<u>50</u>
Allotted, called up and fully paid:		
50 ordinary shares of £1 each	50	50
	<u>50</u>	<u>50</u>

ASPECT GOLF AND LEISURE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2006
(continued)**

11. RESERVES

	Share premium account £	Profit and loss account £
At 1 April 2005	1,474,954	(1,341,432)
Retained loss for the year	-	(366,982)
	-----	-----
At 31 March 2006	<u>1,474,954</u>	<u>(1,708,414)</u>

12. SHAREHOLDERS' FUNDS

	2006 £	2005 £
Retained loss for the year/period	(366,982)	(65,874)
Opening shareholders' funds	133,572	199,446
	-----	-----
Closing shareholders' funds	<u>(233,410)</u>	<u>133,572</u>

13. RELATED PARTY TRANSACTIONS

During the year the company received funds of £1,352,000 from Park Place Estates LLP, the parent undertaking. The company also incurred expenses on behalf of Park Place Estates LLP totalling £21,117. At 31 March 2006 the amount owed to Park Place Estates LLP was £1,977,728 (2005: £646,845).

The company was charged £10,000 by Park Place Estates LLP during the year for project management services. An amount of £11,750 in respect of this is included in trade creditors.

During the year the company received a loan of £15,000 from fellow subsidiary, Starwin Limited, and incurred expenses totalling £7,675 on its behalf. At 31 March 2006 the amount owed to Starwin Limited was £43,352 (2005: £36,027).

ASPECT GOLF AND LEISURE LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2006
(continued)****14. COMPANY FINANCING**

The company's total liabilities exceeded its total assets by £233,410 and the company incurred a loss for the year of £366,982. Should the company's income prove insufficient to fund its future financing, the company's parent undertaking has indicated its willingness to make available to the company such additional funds as it may require in respect of its financing for the foreseeable future.

Whilst there can be no certainty that the parent undertaking will be able to make the necessary funds available, the directors believe that they have taken into account all information that could reasonably be expected to be available and on this basis consider that it is appropriate to prepare the financial statements on a going concern basis.

15. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The parent undertaking is Park Place Estates LLP and the ultimate controlling parties are the members of Park Place Estates LLP.