

AMENDED

HANBURY MANOR GOLF AND COUNTRY CLUB LIMITED

Year ended

31 December 2007

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HANBURY MANOR GOLF AND COUNTRY CLUB LIMITED

Annual report and financial statements for the year ended 31 December 2007

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Directors

Colin C Dossetter	(Member director)
Robert Watt	(Member director)
Hisham Al-Saie	
Mahmood Chaudhry	
Helen J Moye	
Rehman Tipu	(alternate)
Christopher Common	(alternate)

Secretary

Ogier Corporate Services (UK) Limited
3rd Floor Equitable House
47 King William Street
London
EC4R 9JD

Registered office

3rd Floor Equitable House
47 King William Street
London
EC4R 9JD

Registered number

2644273

Auditors

Ernst & Young LLP
400 Capability Green
Luton
Beds LU1 3LU

HANBURY MANOR GOLF AND COUNTRY CLUB LIMITED

Report of the directors for the year ended 31 December 2007

The directors present their report with the financial statements of the Company for the year to 31 December 2007

Principal activities

The Company receives subscription monies for the golf and leisure club and pays rental to Poles Limited for use of the land

Review of business

The results for the year and the financial position of the Company are shown in the annexed financial statements

Directors

The directors of the Company during the period were as follows -

Colin C Dossetter	
Robert Watt	
Salah S Asheer	(Resigned 11 June 2007)
Hisham Al-Saie	(Appointed 11 June 2007)
Mahmood Chaudhry	(Appointed 11 June 2007)
Helen J Moye	(Appointed 11 June 2007)
Brian M Lee	(Appointed 11 June 2007, Resigned 28 September 2007)
Richard G Catherwood Smith	(Appointed 28 September 2007, Resigned 8 April 2008)

Rehman Tipu was appointed on 11 June 2007 as alternate director to Mahmood Chaudhry, Christopher Common was appointed on 10 August 2007 as alternate director to Colin Dossetter

None of the above directors had any interests in the issued share capital of the Company or the ultimate parent company, Stone Company S P C

Auditors

Ernst & Young LLP have expressed their willingness to continue in office and a resolution to reappoint them will be proposed at the annual general meeting

HANBURY MANOR GOLF AND COUNTRY CLUB LIMITED

Report of the directors for the year ended 31 December 2007 (continued)

Statement of Directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable United Kingdom law and those International Financial Reporting Standards as adopted by the European Union

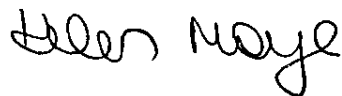
The directors are required to prepare financial statements for each financial period which present fairly the financial position of the Company and the financial performance and cash flows of the Company for that period. In preparing those Company financial statements the directors are required to

- select suitable accounting policies in accordance with IAS8 *Accounting Policies, Changes in Accounting Estimates and Errors* and then apply them consistently,
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information,
- provide additional disclosures when compliance with the specific requirements in IFRSs is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Company's financial position and financial performance, and
- state that the Company has complied with the IFRSs, subject to any material departures disclosed and explained in the financial statements

Statement as to disclosure of information to auditors

So far as the directors are aware, there is no relevant audit information (as defined by section 234ZA of the Companies Act 1985) of which the Company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information

On behalf of the Board



Director

HANBURY MANOR GOLF AND COUNTRY CLUB LIMITED

Independent Auditors' Report to the Members of Hanbury Manor Golf and Country Club Limited

We have audited the financial statements of Hanbury Manor Golf and Country Club for the year ended 31 December 2007 which comprise the Income Statement, Balance Sheet and the related notes 1 to 8. These financial statements have been prepared on the basis of 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 United Kingdom law and International Financial Reporting Standards (IFRSs) as adopted by the European Union 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 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.

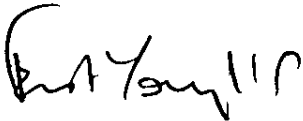
HANBURY MANOR GOLF AND COUNTRY CLUB LIMITED

Independent Auditors' Report to the Members of Hanbury Manor Golf and Country Club Limited (continued)

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with IFRSs as adopted by the European Union, of the state of the Company's affairs as at 31 December 2007 and of the Company's result 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



ERNST & YOUNG LLP
Registered Auditor
Luton

Date 16/7/08

HANBURY MANOR GOLF AND COUNTRY CLUB LIMITED**Income statement for the year ended 31 December 2007**

	Note	Year ended 31 December 2007 £	Period from 3 March 2006 to 31 December 2006 £
Revenue	2	946,678	850,064
Administrative expenses		<u>(946,678)</u>	<u>(850,064)</u>
Gross profit		-	-
Income tax expense	3	<u>-</u>	<u>-</u>
Profit for the financial period		<u>-</u>	<u>-</u>

All amounts relate to continuing activities

All recognised income and expenses are included in the income statement

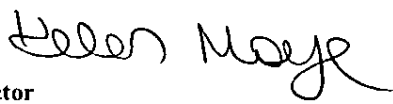
The notes on pages 8 to 10 form part of these financial statements

HANBURY MANOR GOLF AND COUNTRY CLUB LIMITED

Balance sheet at 31 December 2007

	Note	31 December 2007 £	31 December 2006 £
Non-current assets	4	<u>3,785,500</u>	<u>4,011,416</u>
Non current liabilities	5	<u>(3,785,500)</u>	<u>(4,011,416)</u>
		<u>-</u>	<u>-</u>
Equity		<u>-</u>	<u>-</u>

These financial statements were approved by the Board on 23.6.08


Director

The notes on pages 8 to 10 form part of these financial statements

HANBURY MANOR GOLF AND COUNTRY CLUB LIMITED**Cash flow statement for the year ended 31 December 2007**

	Year ended 31 December 2007 £	Period from 3 March 2006 to 31 December 2006 £
Operating activities	-	-
Cash flow from operations before changes in working capital	<u>-</u>	<u>-</u>
Change in trade and other receivables	<u>225,916</u>	<u>565,584</u>
Cash generated from operations	<u>225,916</u>	<u>565,584</u>
Cash flows from financing activities		
Net redemption of members' debentures	<u>(225,916)</u>	<u>(565,584)</u>
Net cash from financing activities	<u>(225,916)</u>	<u>(565,584)</u>
Net movement in cash and cash equivalents	<u>-</u>	<u>-</u>
Cash and cash equivalents at beginning of period	-	-
Cash and cash equivalents at end of period	<u><u>-</u></u>	<u><u>-</u></u>

The notes on pages 8 to 10 form part of these financial statements

HANBURY MANOR GOLF AND COUNTRY CLUB LIMITED

Notes forming part of the financial statements for the year ended 31 December 2007

1 Authorisation of financial statements and statement of compliance with IFRSs

The Company's financial statements of Hanbury Manor Golf and Country Club Limited for the period ended 31 December 2007 were authorised for issue by the board of directors and the balance sheets were signed on the board's behalf by H Moye. Hanbury Manor Golf and Country Club Limited is a company incorporated and domiciled in England & Wales.

The Company's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs). The Company's financial statements have been prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 1985. The principal accounting policies adopted by the Company are set out in note 2.

2 Accounting policies

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and the interpretations adopted by the International Accounting Standards Board (IASB).

The financial statements are presented in pounds sterling. They are prepared on the historic cost basis except that non-current assets are stated at the lower of carrying amount and fair value less costs to sell.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

Revenue

Revenue represents subscriptions from members net of Value Added Tax.

Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales taxes or duty.

Depreciation

Depreciation is not provided on long leasehold land with more than 50 years unexpired on the lease.

3 Taxation

a) Income tax expense

No income tax charge arises in respect of either current tax (period ended 31 December 2006 - nil) or deferred tax for the year (period ended 31 December 2006 - nil).

b) Reconciliation of the total income tax charge

The taxation assessed on the profit for the year matches the notional tax profit derived by multiplying the profit before tax by the standard rate of UK corporation tax of 30% (2006 - 30%). There are no reconciling differences.

HANBURY MANOR GOLF AND COUNTRY CLUB LIMITED

Notes forming part of the financial statements for the year ended 31 December 2007

4. Non-current assets

	Long leasehold land
	£
Cost and net book value	
At 3 March 2006	4,577,000
Transferred to parent undertaking	(565,584)
At 31 December 2006	4,011,416
Transferred to parent undertaking	(225,916)
At 31 December 2007	<u>3,785,500</u>

5 Non-current liabilities

	31 December 2007 £	31 December 2006 £
Members' debentures	<u>3,785,500</u>	<u>4,011,416</u>

Members' debentures have no rights to dividends. They are redeemable upon the member resigning membership of the golf and country club and a new member joining in accordance with the debenture prospectus or on a winding up. The debentures carry no voting rights.

6. Analysis of changes in net debt

	31 December 2006 £	Change £	31 December 2007 £
Net cash			
Cash and cash equivalents	<u>-</u>	<u>-</u>	<u>-</u>
Debt			
Debentures	<u>(4,011,416)</u>	<u>225,916</u>	<u>(3,785,500)</u>
Total	<u>(4,011,416)</u>	<u>225,916</u>	<u>(3,785,500)</u>

HANBURY MANOR GOLF AND COUNTRY CLUB LIMITED

Notes forming part of the financial statements for the year ended 31 December 2007

7 Reconciliation of movements on equity

	Year ended 31 December 2007 £	Period from 3 March 2006 to 31 December 2006 £
Opening equity	-	-
Profit for the period	-	-
Closing equity	-	-

8. Parent undertaking and controlling party

The Company's immediate holding company is Poles Limited, a company registered in England. The ultimate parent undertaking of the Company is Stone Company S P C, which is registered in the Kingdom of Bahrain (under number 50107). The ultimate controlling party of the Company is the Premier Group, Box 836, Manama Town, Kingdom of Bahrain. The results are consolidated in the parent company as well as in the controlling party company.