

**L.A. (Golders Green) Limited**

**Directors' report and financial  
statements**

Registered number 3229416

31 July 2005



## Contents

Company information	3
Directors' report	4
Report of the independent auditors to the members of L.A. (Golders Green) Limited	5
Balance sheet	6
Notes	7

## Company information

<b>Directors</b>	F Turok R Taylor
<b>Secretary</b>	G Taylor
<b>Registered office</b>	101 Commercial Road London E1 1RD
<b>Auditors</b>	Pricewaterhouse Coopers LLP 1 Embankment Place London WC2N 6RH
<b>Principal bankers</b>	The Royal Bank of Scotland plc 2 Waterhouse Square 138 Holborn London EC1N 2TH

## Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 July 2005.

### Principal activities and review of business

The company did not trade during the current or previous year.

### Dividends

The directors do not recommend the payment of a dividend (2004: nil).

### Directors and directors' interests

The directors who served during the year were as follows:

F Turok  
D Turner (resigned 27 September 2004)  
J Taylor (resigned 10 August 2005)  
R Taylor (appointed 10 August 2005)

The directors had no interests in the company during the year.

The interests of the directors in the share capital of the parent company, LA Fitness Limited, are shown in the accounts of that 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 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 have 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.

### Auditors

In accordance with Section 384 of the Companies Act 1985, a resolution for the appointment of PricewaterhouseCoopers LLP as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the board

G Taylor  
Secretary  
31 January 2006



101 Commercial Road  
London  
E1 1RD

## Report of the independent auditors to the members of L.A. (Golders Green) Limited

We have audited the financial statements which comprise the balance sheet and the related notes which have been prepared under the historical cost convention and the accounting policies set out in the statement of accounting policies.

### Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards 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 United Kingdom Auditing Standards issued by the Auditing Practices Board. This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 is not disclosed.

We read the other information contained in the annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

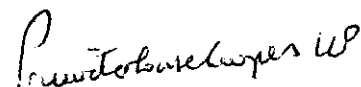
### Basis of audit opinion

We conducted our audit in accordance with auditing standards 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.

### Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company at 31 July 2005 and have been properly prepared in accordance with the Companies Act 1985.



**PricewaterhouseCoopers LLP**  
*Chartered Accountants and Registered*  
*Auditors*  
31 January 2006

**Balance sheet**  
*at 31 July 2005*

	<i>Note</i>	2005	2004
		£	£
<b>Current assets</b>			
Debtors	3	569,487	569,487
		<u>569,487</u>	<u>569,487</u>
<b>Creditors: amounts falling due within one year</b>	4	(59,927)	(59,927)
		<u>(59,927)</u>	<u>(59,927)</u>
<b>Net current assets</b>		509,560	509,560
		<u>509,560</u>	<u>509,560</u>
<b>Total assets less current liabilities</b>		509,560	509,560
<b>Creditors: amounts falling due after more than one year</b>	5	(290,354)	(290,354)
		<u>(290,354)</u>	<u>(290,354)</u>
<b>Net assets</b>		219,206	219,206
		<u>219,206</u>	<u>219,206</u>
<b>Capital and reserves</b>			
Called up share capital	6	2	2
Profit and loss account	7	219,204	219,204
		<u>219,204</u>	<u>219,204</u>
<b>Equity shareholders' funds</b>	8	219,206	219,206
		<u>219,206</u>	<u>219,206</u>

These financial statements were approved by the board of directors on 31 January 2006 and were signed on its behalf by:



**R Taylor**  
*Director*

The notes on pages 7 to 8 form part of these financial statements.

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

The following accounting policies have been applied consistently with the prior year in dealing with items which are considered material in relation to the company's financial statements.

#### *Basis of preparation*

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost convention.

#### *Profit and loss account*

During the financial year and the preceding financial year the company did not trade and received no income and incurred no expenditure. Consequently, during those years the company made neither a profit nor a loss and therefore no profit and loss account has been presented.

#### *Cash flow statement*

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

### 2 Staff numbers

The average number of persons employed by the company (including directors) during the year, analysed by category, was as follows:

	Number of employees	
	2005 No	2004 No
Directors	2	3

The company has no employees other than the directors. None of the directors received any remuneration in respect to their services to the company during the year (2004: nil).

### 3 Debtors

	2005 £	2004 £
<i>Due within one year:</i>		
Amounts owed by group undertakings	569,487	569,487

### 4 Creditors: amounts falling due within one year

	2005 £	2004 £
Amounts owed to group undertakings	59,927	59,927

**Notes (continued)**

**5 Creditors: amounts falling due after more than one year**

	2005 £	2004 £
Amounts owed to group undertakings	290,354	290,354

**6 Called up share capital**

	2005 £	2004 £
<i>Authorised</i>		
100 Ordinary shares of £1 each	100	100
<i>Allotted, called up and fully paid</i>		
2 Ordinary shares of £1 each	2	2

**7 Profit and loss account**

	2005 £	2004 £
Surplus at beginning and end of year	219,204	219,204

**8 Reconciliation of movements on shareholders' funds**

	2005 £	2004 £
Opening and closing shareholders' funds	219,206	219,206

**9 Related party transactions**

As the company is a wholly owned subsidiary of LA Fitness Limited, the company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group.

**10 Ultimate parent company and parent undertaking of larger group of which the company is a member**

The company is a subsidiary undertaking of LA Fitness Limited, which is the immediate parent company incorporated in England and Wales.

The ultimate controlling party is MOP Acquisitions (LAF) Limited, a company incorporated in England and Wales as a result of the public to private transaction which took place on 4 July 2005.

The largest group in which the results of the company are consolidated is that headed by LA Fitness Limited. The consolidated accounts are available to the public and may be obtained from Companies House.