

**ALTONWOOD HOLDINGS LIMITED
AND ITS SUBSIDIARIES**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE ELEVEN MONTHS ENDED 30TH APRIL 2006**

Company No 3594411 (England and Wales)

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ALTONWOOD HOLDINGS LIMITED
AND ITS SUBSIDIARIES
CONTENTS

| | Page |
|---|----------|
| Company information | 1 |
| Directors' Report | 2 to 4 |
| Auditors Report | 5 |
| Consolidated Profit and Loss Account | 6 |
| Consolidated Statement of Total Recognised Gains and Losses | 7 |
| Consolidated Balance Sheet | 8 |
| Parent Company Balance Sheet | 9 |
| Consolidated Cash Flow Statement | 10 |
| Notes to the Financial Statements | 11 to 30 |

ALTONWOOD HOLDINGS LIMITED

AND ITS SUBSIDIARIES

COMPANY INFORMATION

Directors

Mr R G Noades
Mrs N L Noades
Mr D W Waddington
Mr P J Skinner

Secretary

Mr P J Skinner

Company Number

3594411

Registered Office

Streete Court
Rooks Nest Park
Godstone
Surrey
RH9 8BZ

Auditors

Meyer Williams
Chartered Accountants
Queen Alexandra House
2 Bluecoats Avenue
Hertford
Herts
SG14 1PB

ALTONWOOD HOLDINGS LIMITED
AND ITS SUBSIDIARIES
DIRECTORS' REPORT
FOR THE ELEVEN MONTHS ENDED 30TH APRIL 2006

The directors present their report together with the financial statements for the eleven months ended 30th April 2006

Principal Activities and Review of Business

The principal activities of the group in the period under review are those of a leisure group which includes owning and managing golf clubs and property investment

The principal activities of the company are that of a holding company

Results and Dividends

The results for the period of the group are set out in the profit and loss account on page 5

The directors consider the state of the company's affairs to be satisfactory

Dividends

Interim dividends amounting to £55,000 (2005 £15,000) were paid during the year. The directors do not recommend a final ordinary dividend. The total distribution of dividends for the eleven months ended 30th April 2006 will be £55,000 (31st May 2005 £70,000)

Fixed Assets

Details of movements in fixed assets are set out in notes 11 to 13 of the financial statements

Directors

The directors who served during the period and their beneficial interests in the company's issued share capital were

| | Ordinary Shares | |
|-------------------|------------------------------|----------------------------|
| | 30th April | 1st June |
| | 2006 | 2005 |
| Mr R G Noades | 89,800 | 89,800 |
| Mrs N L Noades | - | - |
| Mr D W Waddington | - | - |
| Mr P J Skinner | - | - |

Mr Noades beneficially owns all the share capital of the company via his 100% share holding in 21st Century Projects Limited, the other share holder in the company

Events since the end of the year

On 28th June 2006, the group acquired a majority shareholding in the Addington Golf Syndicate Limited

On 3rd November 2006, the group completed the sale of investment properties at Selhurst Park London SE25. These properties formed a significant part of the Group's investment property portfolio

Political and Charitable Contributions

The company made no political or charitable contributions during the period

ALTONWOOD HOLDINGS LIMITED

AND ITS SUBSIDIARIES

DIRECTORS' REPORT

FOR THE ELEVEN MONTHS ENDED 30TH APRIL 2006

Financial Instruments

Treasury operations and financial instruments

The company operates a treasury function that is responsible for managing the liquidity, interest, and foreign exchange risks associated with the company's activities

A financial instrument is a contract that gives rise to a financial asset in one entity and a financial liability (or equity instrument) in another entity. The company's principal financial instruments include bank overdrafts and loans, used to raise finance for the company's operations, and various other financial assets and liabilities such as trade debtors and trade creditors arising directly from operations.

In accordance with the company's treasury policy, financial instruments are not entered into for speculative purposes.

Liquidity Risk

The company manages its cash and borrowing requirements in order to maximise interest income and minimise interest expense, whilst ensuring the company has sufficient liquid resources to meet the operating needs of the business.

Interest Rate Risk

The company is exposed to cash flow interest rate risk on bank overdrafts and loans. The company policy permits but does not demand that a mix of fixed and variable rate debt is used to reduce exposure to changes in interest rates.

Credit Risk

The company places its cash with creditworthy institutions and performs ongoing credit evaluations of its debtor's financial condition. The carrying amount of cash and debtors represent the maximum credit risk that the company is exposed to.

All customers who wish to trade on credit terms are subject to credit verification procedures. Trade debtors are reviewed on a regular basis and provision is made for doubtful debts when necessary.

Directors' Responsibilities

Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of the company's affairs and of the profit or loss for that period. In preparing these 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 accounts,

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 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.

ALTONWOOD HOLDINGS LIMITED
AND ITS SUBSIDIARIES
DIRECTORS' REPORT
FOR THE ELEVEN MONTHS ENDED 30TH APRIL 2006

Insurance

During the financial period the group purchased and maintained liability insurance for its directors and officers as permitted by section 310(3) of the Companies Act 1985

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 or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information

Auditors

The auditors, Meyer Williams, Chartered Accountants, have indicated their willingness to accept re-appointment under section 385(2) of the Companies Act 1985

This report was approved by the board on 12th March 2007, and signed on its behalf



Mr P J Skinner, Secretary

**ALTONWOOD HOLDINGS LIMITED
AND ITS SUBSIDIARIES**

**INDEPENDENT AUDITORS' REPORT TO THE
MEMBERS OF ALTONWOOD HOLDINGS LIMITED**

We have audited the financial statements of Altonwood Holdings Limited for the period ended 30th April 2006 on pages six to thirty. These have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets, and the accounting policies set out on pages eleven to thirteen.

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

As described on page three the company's directors are responsible for the preparation of 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 Report of the Directors 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 Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within them.

Basis of 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 adequately disclosed.

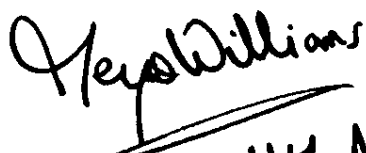
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of information presented in the financial statements.

Opinion

In our opinion the financial statements

- give a true and fair view, in accordance with United Kingdom generally Accepted Accounting Practice, of the state of the company and the group as at 30 April 2006 and of the profit of the group for the eleven months then ended, and
- have been properly prepared in accordance with the Companies Act 1985.

Meyer Williams
Chartered Accountants
Queen Alexandra House
2 Bluecoats Avenue
Hertford
Herts
SG14 1PB


11th April 2007

ALTONWOOD HOLDINGS LIMITED

AND ITS SUBSIDIARIES

CONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE ELEVEN MONTHS ENDED 30TH APRIL 2006

| | Notes | 11 Months Ended 30th April 2006 | | Year Ended 31st May 2005 |
|--|----------|---|------------------|--|
| | | £ | £ | £ |
| Turnover. | 2 | | | |
| Continuing operations | | 4,928,054 | 5,047,633 | |
| Discontinued operations | | <u>1,934,300</u> | <u>3,828,688</u> | |
| | | 6,862,354 | | 8,876,321 |
| Cost of Sales | | | | |
| Continuing operations | | 2,642,369 | 2,700,510 | |
| Discontinued operations | | <u>2,033,582</u> | <u>2,945,712</u> | |
| | | 4,675,951 | | 5,646,222 |
| Gross Profit | | 2,186,403 | | 3,230,099 |
| Net Operating Expenses | | | | |
| Continuing operations | | 1,890,613 | 2,097,067 | |
| Discontinued operations | | <u>498,446</u> | <u>720,897</u> | |
| | | 2,389,059 | | 2,817,964 |
| Operating (loss)/profit | 3 | | | |
| Continuing operations | | 369,118 | 243,544 | |
| Discontinued operations | | <u>(571,774)</u> | <u>168,591</u> | |
| | | (202,656) | | 412,135 |
| Other operating income | | | | |
| Income from loan notes | | 113,400 | | 210,242 |
| Profit on disposal of fixed assets | 4 | 48,508 | | 46,945 |
| Exceptional items | 5 | 2,850,847 | | - |
| | | <u>2,810,099</u> | | <u>669,322</u> |
| Interest Receivable | 7 | 93,617 | | 8,440 |
| Interest Payable and Similar Charges | 8 | (437,795) | | (404,663) |
| Profit on Ordinary Activities before Taxation | | 2,465,921 | | 273,099 |
| Tax on profit on ordinary activities | 9 | 18,560 | | 62,351 |
| Profit on Ordinary Activities after Taxation for the financial year | | <u>2,447,361</u> | | <u>210,748</u> |

ALTONWOOD HOLDINGS LIMITED**AND ITS SUBSIDIARIES****CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES****FOR THE ELEVEN MONTHS ENDED 30TH APRIL 2006**

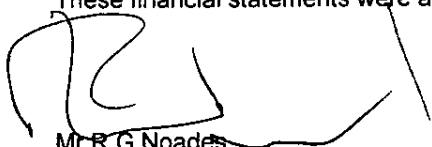
| | 11 Months Ended 30th April 2006 £ | Year Ended 31st May 2005 £ |
|---|---|--|
| Statement of Total Recognised Gains and Losses | | |
| Profit for the financial period | 2,392,361 | 173,308 |
| Movement on revaluation of investment properties | (2,603,726) | 5,673,497 |
| Transfer from merger reserve arising on disposal of subsidiary undertakings | (213,115) | - |
| Total recognised (losses)/gains relating to the period | <u>(424,480)</u> | <u>5,846,805</u> |
| Historical Costs Profits and Losses | | |
| Profit on ordinary activities before taxation | 2,465,921 | 273,099 |
| Historical cost profit on ordinary activities before taxation | <u>2,465,921</u> | <u>273,099</u> |
| Historical cost profit for the period retained after taxation, dividends and minority interests | <u>2,673,696</u> | <u>173,308</u> |

The notes form part of these financial statements

ALTONWOOD HOLDINGS LIMITED
AND ITS SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
AS AT 30th APRIL 2006

| | Notes | 30 TH APRIL 2006 | | 31 ST MAY 2005 | |
|--|-------|--------------------------------|--------------------|------------------------------|--------------------|
| | | £ | £ | £ | £ |
| Fixed Assets | | | | | |
| Intangible assets | 10 | | - | | 55,639 |
| Tangible assets | 11 | | 17,802,668 | | 27,844,507 |
| Investment properties | 12 | | 12,457,677 | | 10,457,677 |
| | | | <u>30,260,345</u> | | <u>38,357,823</u> |
| Current Assets | | | | | |
| Stocks | 14 | 111,276 | | 145,516 | |
| Debtors | 15 | 1,631,372 | | 1,615,776 | |
| Cash at bank and in hand | | 425,984 | | 2,206,620 | |
| | | <u>2,168,632</u> | | <u>3,967,912</u> | |
| Creditors: Amounts Falling Due Within One Year | 16 | 4,473,775 | | 12,043,741 | |
| Net Current Liabilities | | | <u>(2,305,143)</u> | | <u>(8,075,829)</u> |
| Total Assets Less Current Liabilities | | | <u>27,955,202</u> | | <u>30,281,994</u> |
| Creditors' Amounts Falling Due After More Than One Year | 17 | 4,623,589 | | 5,023,213 | |
| | | | <u>23,331,613</u> | | <u>25,258,781</u> |
| Capital and Reserves | | | | | |
| Share capital | 21 | 100,000 | | 100,000 | |
| Revaluation reserve | 22 | 7,455,715 | | 10,059,441 | |
| Merger reserve | 23 | 12,341,270 | | 12,673,779 | |
| Profit and loss account | 24 | 3,434,628 | | 760,932 | |
| Shareholders' Funds | 26 | <u>23,331,613</u> | | <u>23,594,152</u> | |
| Minority interests | 25 | - | | 1,664,629 | |
| | | <u>23,331,613</u> | | <u>25,258,781</u> | |

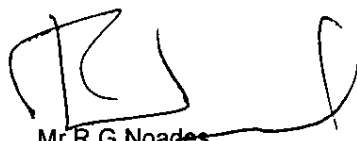
These financial statements were approved by the board on 12th March 2007 and signed on its behalf


Mr R G Noades
Director

ALTONWOOD HOLDINGS LIMITED
AND ITS SUBSIDIARIES
PARENT COMPANY BALANCE SHEET
AS AT 30th APRIL 2006

| | Notes | 30 TH APRIL 2006 | | 31 ST MAY 2005 | |
|---|-------|--------------------------------|-------------------|------------------------------|-------------------|
| | | £ | £ | £ | £ |
| Fixed Assets | | | | | |
| Investments | 13 | | 13,140,526 | | 13,140,526 |
| Current Assets | | | | | |
| Debtors | 15 | 463,086 | | 1,449,340 | |
| Cash at bank and in hand | | 347 | | 1,542 | |
| | | 463,433 | | 1,450,882 | |
| Creditors. Amounts Falling Due Within One Year | 16 | 772,035 | | 1,696,476 | |
| Net Current Liabilities | | | (308,062) | | (245,594) |
| Total Assets Less Current Liabilities | | | 12,831,924 | | 12,894,932 |
| Capital and Reserves | | | | | |
| Share capital | 21 | | 100,000 | | 100,000 |
| Merger reserve | 23 | | 12,303,922 | | 12,303,922 |
| Profit and loss account | 24 | | 428,002 | | 491,010 |
| Shareholders' Funds | 26 | | 12,831,924 | | 12,894,932 |

These financial statements were approved by the board on 12th March 2007 and signed on its behalf


Mr R G Noades
Director

The notes form part of these financial statements

ALTONWOOD HOLDINGS LIMITED
AND ITS SUBSIDIARIES
CONSOLIDATED CASH FLOW STATEMENT
FOR THE ELEVEN MONTHS ENDED 30TH APRIL 2006

| | Notes | 11 Months Ended 30 th April 2006 £ | Year Ended 31 st May 2005 £ |
|--|-------|---|--|
| CASH FLOW STATEMENT | | | |
| Net Cash (outflow)/Inflow from Operating Activities | 33 | (266,278) | 1,438,671 |
| Returns on Investments and Servicing of Finance | 34 | (230,778) | (185,981) |
| Taxation | | (62,344) | (548,430) |
| Capital Expenditure and Financial Investment | 34 | (375,296) | (4,060,470) |
| Equity Dividends | | (65,000) | (15,000) |
| Acquisitions and Disposals | 34 | 4,717,454 | - |
| Cash Inflow/(Outflow) Before Financing | | <u>3,717,758</u> | <u>(3,371,210)</u> |
| Financing | 34 | (1,324,278) | 2,419,289 |
| Increase/(Decrease) in Cash | | <u><u>2,393,480</u></u> | <u><u>(951,921)</u></u> |
| Reconciliation of Net Cash Outflow to Movement in Net Debt | 35 | | |
| Changes in Cash Balances | | 2,393,480 | (951,921) |
| Cash inflow/(outflow) from (decrease)/increase in debt | | 1,524,278 | (2,419,289) |
| Movement in Net Debt from cash flows | | <u>3,917,758</u> | <u>(3,371,210)</u> |
| New finance leases | | (129,561) | (73,185) |
| Acquisitions and disposals of subsidiaries | | 767,500 | - |
| Movement in Net Debt in the period | | <u>4,555,697</u> | <u>(3,444,395)</u> |
| Net Debt at 1 June 2005 | | (10,430,636) | (6,986,241) |
| Net Debt at 30 April 2006 | | <u><u>(5,874,939)</u></u> | <u><u>(10,430,636)</u></u> |

The notes form part of these financial statements

ALTONWOOD HOLDINGS LIMITED

AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE ELEVEN MONTHS ENDED 30TH APRIL 2006

1 Accounting policies

The principal accounting policies applied in the preparation of the financial statements are set out below and have been consistently applied

Basis of preparation of the financial statements

The group's financial statements have been prepared in accordance with applicable accounting standards under the historical cost convention, as modified by the revaluation of certain fixed assets

Tangible fixed assets

Depreciation is calculated to write down the cost or valuation less estimated residual value of all tangible fixed assets by equal annual instalments over their estimated useful lives or, if held under a hire purchase contract, over the lease term whichever is shorter. The rates and periods generally applicable are

| | |
|--------------------------------|-----------------|
| Motor vehicles | 25% on cost |
| Furniture, equipment and plant | 20%/25% on cost |

The group's freehold land and buildings are maintained in such condition that their residual value is not diminished by the passage of time and the relevant maintenance expenditure is charged to the profit and loss account in the period in which it is incurred. Any provision for depreciation is considered to be immaterial and no provision is made. Provision will be made against freehold land and buildings in the event of any impairment or other permanent diminution of their value.

This constitutes a departure from the statutory rules requiring fixed assets to be depreciated over their estimated useful lives and is necessary to enable the financial statements to give a true and fair view. The amount of depreciation and amortisation that might otherwise be provided cannot be separately identified or quantified.

The group's freehold land and buildings have been included in these financial statements at cost apart from a subsidiary undertaking, which was disposed of during the period, that had included its freehold land and buildings at an open market value arrived at by an independent firm of Chartered Surveyors on 1 September 2005.

Stocks

Stocks are stated at the lower of cost and net realisable value after making due allowance for obsolete and slow moving items.

Investments

Investments held as current assets are shown at the lower of cost and net realisable value.

ALTONWOOD HOLDINGS LIMITED

AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE ELEVEN MONTHS ENDED 30TH APRIL 2006

1 Accounting policies (continued)

Investment properties

Investment properties are revalued annually and the aggregate surplus or deficit is transferred to a revaluation reserve. Deficits that are expected to be permanent are written off to the profit and loss account. No amortisation or depreciation is provided in respect of freehold investment properties and leasehold investment properties.

Intangible fixed assets – players contracts

The transfer costs of obtaining the contract for services of a player are capitalised and amortised on a straight line basis over the period of the contract. Upon sale, the difference between the transfer fee receivable and the net book value of the related player's contract is taken to the profit and loss account. Where, as a result of injury or other circumstances, the value of a player's contract has suffered a permanent diminution, the carrying value in the financial statements is reduced to the directors' estimate of market value.

Impairment

Impairment reviews have been carried out on all the group's fixed assets comparing the carrying value to their recoverable amounts and a provision has been made to reduce them to their recoverable amounts where necessary.

Property revaluations

All properties held by subsidiary undertakings were stated at fair value (on the basis of open market value for existing use) prior to their acquisition by the company.

Differences between the above valuations and their historical cost are reflected as revaluation reserves in the balance sheet of each relevant subsidiary.

Property revaluations made by subsidiary undertakings since the date of acquisition are included in the revaluation reserve in the consolidated financial statements.

Turnover

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into the profit and loss account for the period.

Hire purchase commitments

Assets held under hire purchase contracts are capitalised in the balance sheet and depreciated over their estimated useful lives.

The capital element of the future payments is treated as a liability. The interest element of these obligations is charged to the profit and loss account over the relevant period.

ALTONWOOD HOLDINGS LIMITED

AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE ELEVEN MONTHS ENDED 30TH APRIL 2006

1 Accounting policies (continued)

Pension Costs

Certain subsidiaries operate defined contribution pension schemes. Contributions payable to these schemes are charged to the profit and loss account in the period to which they relate. These contributions are invested separately from the company's assets. The group also makes contributions towards the personal pensions of certain directors.

Grants

Grants received from the Football Trust are taken to the profit and loss account when received. Other grants received in respect of operating costs of the company are dealt with in the profit and loss account in the period in which the relevant expenditure is incurred.

Deferred taxation

In accordance with Financial Reporting Standard 19 provision is made at current rates for taxation deferred in respect of all material timing differences except those relating to revalued fixed assets.

Consolidation

The consolidated financial statements include the results of the company and its subsidiary undertakings as listed in note 29 to the financial statements. All balances and transactions within the group have been eliminated.

As permitted by Section 230 of the Companies Act 1985 no profit and loss account is presented for the parent company.

Leasing commitments

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the life of the lease.

Cash and liquid resources

For the purposes of the cash flow statement, cash and liquid resources is defined as cash at bank and in hand and the bank overdraft.

ALTONWOOD HOLDINGS LIMITED

AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE ELEVEN MONTHS ENDED 30TH APRIL 2006

2 Turnover

Analysis by class of business:

| | 11 Months Ended 30th April 2006 £ | Year Ended 31st May 2005 £ |
|---------------------------|---|--|
| Footballing activities | 1,934,300 | 3,828,688 |
| Rental and similar income | 886,985 | 1,347,462 |
| Golf courses | 4,041,069 | 3,700,171 |
| | 6,862,354 | 8,876,321 |

3 Operating (Loss)/Profit

The operating (loss)/profit for the period is stated after charging the following amounts

| | 11 Months Ended 30th April 2006 £ | Year Ended 31st May 2005 £ |
|---|---|--|
| Depreciation on owned assets | 173,750 | 250,237 |
| Depreciation of assets held under hire purchase contracts | 48,429 | 14,792 |
| Amortisation of intangible fixed assets | - | 16,486 |
| Hire of equipment | 88,708 | 7,645 |
| Auditors' remuneration – non audit work | 25,524 | 25,172 |
| Auditors' remuneration | 61,820 | 64,368 |
| Other operating lease rentals | - | 28,854 |

4 Profit on disposal of fixed assets

| | 11 Months Ended 30th April 2006 £ | Year Ended 31st May 2005 £ |
|---|---|--|
| Profit on disposal of tangible fixed assets | 28,508 | 6,945 |
| Profit on disposal of intangible fixed assets | 20,000 | 40,000 |
| | 48,508 | 46,945 |

5 Exceptional Item

| | 11 Months Ended 30th April 2006 | Year Ended 31st May 2005 |
|---|---|--|
| Accumulated losses on disposal of subsidiary undertakings written back -Note 29 | 3,082,847 | - |
| Provision made for recoverability of loan from former subsidiary undertaking | (232,000) | - |
| | 2,850,847 | - |

ALTONWOOD HOLDINGS LIMITED

AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE ELEVEN MONTHS ENDED 30TH APRIL 2006

6 Directors and Employees

Staff costs, including directors' remuneration, were as follows

| | 11 Months Ended 30th April 2006 £ | Year Ended 31st May 2005 £ |
|-----------------------|---|--|
| Wages and salaries | 1,907,561 | 3,930,267 |
| Social security costs | 198,416 | 362,563 |
| Other pension costs | 11,967 | 11,417 |
| | <u>2,117,944</u> | <u>4,304,247</u> |

The average monthly number of employees, including directors, during the period was as follows

| | 11 Months Ended 30th April 2006 Number | Year Ended 31st May 2005 Number |
|--------------------------------------|--|---|
| Playing, management and ground staff | - | 49 |
| Administration and commercial | 170 | 182 |
| | <u>170</u> | <u>231</u> |

Directors' emoluments

| | 11 Months Ended 30th April 2006 £ | Year Ended 31st May 2005 £ |
|------------|---|--|
| Emoluments | <u>533,584</u> | <u>641,511</u> |
| | 533,584 | 641,511 |

ALTONWOOD HOLDINGS LIMITED
AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE ELEVEN MONTHS ENDED 30TH APRIL 2006

6 Directors and Employees (continued)

The highest paid director received emoluments and benefits as follows

| | 11 Months Ended 30th April 2006 £ | Year Ended 31st May 2005 £ |
|------------|---|--|
| Emoluments | <u>448,683</u> | <u>442,900</u> |

7 Interest Receivable

| | 11 Months Ended 30th April 2006 £ | Year Ended 31st May 2005 £ |
|----------------|---|--|
| Bank interest | 5 | 8,440 |
| Other interest | 93,612 | - |
| | <u>93,617</u> | <u>8,440</u> |

8 Interest Payable and Similar Charges

| | 11 Months Ended 30th April 2006 £ | Year Ended 31st May 2005 £ |
|--|---|--|
| Bank overdrafts and loans | 388,290 | 380,974 |
| On other loans repayable within five years | - | 11,543 |
| Hire purchase interest | 11,147 | 5,912 |
| On Directors loans | 33,548 | - |
| Other interest | 4,810 | 6,234 |
| | <u>437,795</u> | <u>404,663</u> |

ALTONWOOD HOLDINGS LIMITED

AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE ELEVEN MONTHS ENDED 30TH APRIL 2006

9 Taxation

Analysis of the tax charge

The tax charge on the profit on ordinary activities was as follows

| | 11 Months Ended 30th April 2006 £ | Year Ended 31st May 2005 £ |
|--------------------|---|--|
| Current tax | | |
| UK corporation tax | 84,016 | 62,351 |
| Prior periods | | |
| UK corporation tax | (65,456) | - |
| Total tax | <u>18,560</u> | <u>62,351</u> |

Factors affecting the tax charge

The tax assessed for the year is different from the charge expected from applying the standard rate of UK corporation tax to the group's profit on ordinary activities before tax

The difference between the expected and actual charge is explained below

| | 11 Months Ended 30th April 2006 £ | Year Ended 31st May 2005 £ |
|--|---|--|
| Profit on ordinary activities before tax | <u>2,465,921</u> | <u>273,099</u> |
| Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2005 – 30%) | 739,776 | 81,930 |
| Effects of | | |
| Expenses not deductible from trading profits | 20,032 | 16,624 |
| Capital allowances for year in excess of depreciation | (9,824) | (34,252) |
| Non-taxable grant income | - | (41,400) |
| Other timing differences | (645,390) | (3,380) |
| Overprovision in respect of earlier years | (65,456) | - |
| Increase in trading losses carried forward | 2,402 | 88,584 |
| Marginal relief | (5,025) | (9,723) |
| Utilisation of losses | <u>(17,955)</u> | <u>(36,032)</u> |
| Current tax charge | <u>18,560</u> | <u>62,351</u> |

Group relief is available between the company and all of its subsidiaries as listed in note 29 to the financial statements

ALTONWOOD HOLDINGS LIMITED

AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE ELEVEN MONTHS ENDED 30TH APRIL 2006

10 Intangible Fixed Assets

The Group

| | Players Contracts £ |
|---------------------------|------------------------------------|
| Cost | |
| At 31 May 2005 | 150,000 |
| Additions in the period | 20,000 |
| On disposal of subsidiary | <u>(170,000)</u> |
| At 30 April 2006 | <u>-</u> |
| Amortisation | |
| At 31 May 2005 | 94,361 |
| Charge in the period | 26,050 |
| On disposal of subsidiary | <u>(120,411)</u> |
| At 30 April 2006 | <u>-</u> |
| Net book value | |
| At 30 April 2006 | <u>-</u> |
| At 31 May 2005 | <u>55,639</u> |

11 Tangible Fixed Assets

The Group

| | Freehold Land and Buildings £ | Plant and machinery £ | Fixtures and fittings £ | Motor Vehicles £ | Total £ |
|---------------------------|--|--------------------------------------|--|---------------------------------|--------------------|
| Cost/Valuation | | | | | |
| At 31 May 2005 | 28,501,081 | 963,665 | 1,147,395 | 205,775 | 30,817,916 |
| Capital expenditure | 133,147 | 70,022 | 168,155 | 328,139 | 699,463 |
| Disposals | - | - | - | (259,614) | (259,614) |
| On disposal of subsidiary | (10,000,000) | (213,028) | (372,039) | - | (10,585,067) |
| At 30 April 2006 | <u>18,634,228</u> | <u>820,659</u> | <u>943,511</u> | <u>274,300</u> | <u>20,672,698</u> |
| Depreciation | | | | | |
| At 31 May 2005 | 1,577,423 | 543,754 | 768,634 | 83,598 | 2,973,409 |
| Charge for the period | - | 114,117 | 138,468 | 48,285 | 300,870 |
| Disposals | - | - | - | (93,516) | (93,516) |
| On disposal of subsidiary | - | (138,309) | (172,424) | - | (310,733) |
| At 30 April 2006 | <u>1,577,423</u> | <u>519,562</u> | <u>734,678</u> | <u>38,367</u> | <u>2,870,030</u> |
| Net Book Value | | | | | |
| At 30 April 2006 | <u>17,056,805</u> | <u>301,097</u> | <u>208,833</u> | <u>235,933</u> | <u>17,802,668</u> |
| At 31 May 2005 | <u>26,923,658</u> | <u>446,503</u> | <u>352,169</u> | <u>122,177</u> | <u>27,844,507</u> |

ALTONWOOD HOLDINGS LIMITED

AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE ELEVEN MONTHS ENDED 30TH APRIL 2006

11 Tangible Fixed Assets (continued)

The total amount of impairment losses at 30 April 2006 included above were for freehold land and buildings £1,577,423

The cost or valuation of land and buildings is comprised of

| | |
|---------------------|-------------------|
| Cost | 18,634,228 |
| Valuation in 2003 | - |
| Valuation in 2005 | - |
| As at 30 April 2006 | <u>18,634,228</u> |

Assets held under hire purchase contracts originally cost £233,574 (2005 £175,635) and have a net book value of £191,759 (2005 £153,176) Depreciation charges for the year on these assets were £56,129 (2005 £24,053)

12 Investment Properties

The Group

**Freehold
Properties**

Cost/Valuation

£

At 31 May 2005

10,470,549

Additions

-

Disposals

-

Revaluations

2,000,000

At 30 April 2006

12,470,549

Depreciation

At 31 May 2005

12,872

Charge for period

-

Disposals

-

At 30 April 2006

12,872

Net Book Value

At 30 April 2006

12,457,677

At 31 May 2005

10,457,677

ALTONWOOD HOLDINGS LIMITED
AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE ELEVEN MONTHS ENDED 30TH APRIL 2006

12 Investment Properties (continued)

Investment properties were revalued at 30 April 2006 by the directors using an open market value basis

The value of investment properties as at 30 April 2006 is comprised as follows

| | Freehold Properties £ |
|--|-----------------------------|
| Cost | 1,774,698 |
| Pre-acquisition revaluations | - |
| Post-acquisition revaluations – previous periods | 8,695,851 |
| Post-acquisition revaluations – current year | 2,000,000 |
| | <u>12,470,549</u> |

13 Fixed Assets Investments

The Company

Cost or valuation

At 1 June 2005 and 30 April 2006

| Shares in Group Undertakings £ |
|---|
| <u>19,317,949</u> |

Provisions

At 1 June 2005 and 30 June 2006

| |
|------------------|
| <u>6,177,423</u> |
|------------------|

Net Book Value

At 30 April 2006

| |
|-------------------|
| <u>13,140,526</u> |
|-------------------|

At 31 May 2005

| |
|-------------------|
| <u>13,140,526</u> |
|-------------------|

The company's investment in unlisted companies at the balance sheet date includes all of the subsidiary undertakings listed in note 33 to the financial statements

Provisions against the cost of investments in subsidiary undertakings represent the fall in their value since the date of acquisition

The directors consider that the value of the company's investment in its subsidiary undertakings to be not less than the amount stated in the balance sheet

ALTONWOOD HOLDINGS LIMITED

AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE ELEVEN MONTHS ENDED 30TH APRIL 2006

| | | | |
|-----------|---|--------------------------------|------------------------------|
| 14 | Stocks | | |
| | The Group | 30 April 2006 £ | 31 May 2005 £ |
| | Stock of commercial goods for resale | <u>111,276</u> | <u>145,516</u> |
| 15 | Debtors | | |
| | The Group | 30 April 2006 £ | 31 May 2005 £ |
| | Trade debtors | 38,825 | 184,068 |
| | Other debtors | 1,106,608 | 982,500 |
| | Prepayments and accrued income | 485,939 | 449,208 |
| | | <u>1,631,372</u> | <u>1,615,776</u> |
| | The Company | 30 April 2006 £ | 31 May 2005 £ |
| | Amounts owed by group undertakings | 462,627 | 1,449,109 |
| | Prepayments and accrued income | 459 | 231 |
| | | <u>463,086</u> | <u>1,449,340</u> |
| 16 | Creditors. Amounts Falling Due Within One Year | 30 April | 31 May |
| | The Group | 2006 £ | 2005 £ |
| | Other loans - unsecured (Note 18) | 745,000 | 1,745,000 |
| | Other loans - secured (Note 18) | - | 350,000 |
| | Bank loans and overdrafts (Note 18) | 889,481 | 5,480,648 |
| | Trade creditors | 328,940 | 782,926 |
| | Other taxes and social security | 383,319 | 602,665 |
| | Corporation tax | 84,016 | 127,800 |
| | Dividends payable | 45,000 | 55,000 |
| | Other creditors | 799,287 | 791,327 |
| | Obligations under hire purchase contracts (Note 19) | 42,853 | 38,395 |
| | Accruals and deferred income | 1,163,879 | 2,069,980 |
| | | <u>4,481,775</u> | <u>12,043,741</u> |
| | The Company | 30 April 2006 £ | 31 May 2005 £ |
| | Corporation tax | - | 4,250 |
| | Other loans - unsecured (Note 18) | 712,500 | 1,625,000 |
| | Dividends payable | 45,000 | 55,000 |
| | Other creditors | 5,170 | - |
| | Accruals and deferred income | 9,365 | 12,226 |
| | | <u>772,035</u> | <u>1,696,476</u> |

ALTONWOOD HOLDINGS LIMITED

AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE ELEVEN MONTHS ENDED 30TH APRIL 2006

17 Creditors. Amounts Falling Due After More Than One Year

| The Group | 30 April 2006 £ | 31 May 2005 £ |
|---|--------------------------------|------------------------------|
| Other loans –unsecured (Note 18) | 97,500 | 247,500 |
| Other loans –secured (Note 18) | - | 180,000 |
| Bank loans and overdrafts (Note 18) | 4,467,983 | 4,563,975 |
| Obligations under hire purchase contracts (Note 19) | 58,106 | 31,738 |
| | 4,623,589 | 5,023,213 |

18 Loans and Overdrafts

| The Group | 30 April 2006 £ | 31 May 2005 £ |
|---|--------------------------------|------------------------------|
| Loans (Unsecured) | 842,500 | 1,992,500 |
| Loans | - | 530,000 |
| Bank loans | 4,573,623 | 5,086,666 |
| Bank overdrafts | 783,841 | 4,957,957 |
| | 6,199,964 | 12,567,123 |
| Obligations under hire purchase contracts | 100,959 | 70,133 |
| | 6,300,923 | 12,637,256 |

| The Company | 30 April 2006 £ | 31 May 2005 £ |
|--------------------|--------------------------------|------------------------------|
| Loans (Unsecured) | 712,500 | 1,625,000 |

The bank loans and overdrafts are secured by cross guarantees between certain group companies and a fixed and floating charge over all of the borrowing companies' assets

Net obligations under hire purchase contracts are secured on the assets acquired

Other loans of the group are secured by specific charges over properties owned or leased by the borrowing companies, together with specific charges over debtors and by fixed and floating charges over all of the borrowing companies' other assets

ALTONWOOD HOLDINGS LIMITED

AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE ELEVEN MONTHS ENDED 30TH APRIL 2006

| | | | |
|-----------|--|--------------------------------|------------------------------|
| 18 | Loans and overdrafts (continued) | 30 April 2006 £ | 31 May 2005 £ |
| | The Group | | |
| | Amounts included in creditors and payable in more than five years by instalments | | |
| | Loans repayable by instalments | 3,262,235 | 2,956,726 |
| | Amounts repayable | | |
| | In one year or less, or on demand | 1,634,481 | 7,575,648 |
| | Between one and two years | 140,332 | 599,210 |
| | Between two and five years | 1,162,916 | 1,435,539 |
| | | 2,937,729 | 9,610,397 |
| | In five years or more | 3,262,235 | 2,956,726 |
| | | 6,199,964 | 12,567,123 |
| | The Company | 30 April 2006 £ | 31 May 2005 £ |
| | Amounts repayable | | |
| | In one year or less, or on demand | 712,500 | 1,625,000 |
| | Between one and two years | - | - |
| | | 712,500 | 1,625,000 |
| | Amounts due in more than 5 years are repayable by monthly instalments, interest is charged at variable rates as governed by the lending institutions | | |
| 19 | Obligations Under Hire Purchase Contracts | 30 April 2006 £ | 31 May 2005 £ |
| | The Group | | |
| | Gross obligations repayable | | |
| | Within one year | 47,446 | 42,648 |
| | Between one and five years | 61,367 | 33,660 |
| | | 108,813 | 76,308 |
| | Finance charges repayable | | |
| | Within one year | 4,593 | 4,280 |
| | Between one and five years | 3,261 | 1,895 |
| | | 7,854 | 6,175 |
| | Net obligations repayable | | |
| | Within one year | 42,853 | 38,368 |
| | Between one and five years | 58,106 | 31,765 |
| | | 100,959 | 70,133 |

ALTONWOOD HOLDINGS LIMITED

AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE ELEVEN MONTHS ENDED 30TH APRIL 2006

20 Provision for liabilities and charges

Deferred taxation (not provided)

Deferred liabilities/(assets) have not been accounted for in the financial statements on the following timing differences

| | 30 April 2006 £ | 31 May 2005 £ |
|--|--------------------------------|------------------------------|
| Revaluation of freehold investment properties | 3,208,755 | 2,608,755 |
| Revaluation of freehold property | - | 2,305,891 |
| Trading losses carried forward | (80,038) | (1,302,266) |
| Excess of depreciation over capital allowances | (9,824) | (34,252) |
| | <u>3,118,893</u> | <u>3,578,128</u> |

The deferred tax liability in respect of the revalued freehold stadium is the maximum amount payable if the property were to be sold at the external valuation of £10,000,000 and assuming no rollover relief was available. This deferred tax liability has not been provided in accordance with Financial Reporting Standard 19.

Deferred tax assets in respect of trading losses carried forward and the excess of depreciation over capital allowances have not been provided as their recovery is dependent on future taxable profits arising which at this stage cannot be anticipated.

21 Share Capital

The Group and The Company

| | 30 April 2006 £ | 31 May 2005 £ |
|--|--------------------------------|------------------------------|
| Authorised Share Capital | | |
| Equity Shares | | |
| 100,000 Ordinary shares of £1 each | <u>100,000</u> | <u>100,000</u> |
| Allotted, issued and fully paid Share Capital | | |
| Equity Shares | £ | £ |
| 100,000 Ordinary shares of £1 each | <u>100,000</u> | <u>100,000</u> |

ALTONWOOD HOLDINGS LIMITED

AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE ELEVEN MONTHS ENDED 30TH APRIL 2006

22 Revaluation Reserve

The Group

Property Revaluation Reserve

| | 30 April 2006 £ | 31 May 2005 £ |
|---|--------------------------------|------------------------------|
| At 1 June 2005 | 10,059,441 | 4,385,944 |
| Unrealised surplus on revaluation of properties | 2,000,000 | 6,775,285 |
| Movements during the year on subsidiary disposals | (7,902,527) | - |
| Transfer from merger reserve in respect of subsidiaries previously held | 161,498 | - |
| | <u>4,318,412</u> | <u>11,161,229</u> |
| Amount attributable to minority interests | 3,137,303 | (1,101,788) |
| Balance at 30 April 2006 | <u>7,455,715</u> | <u>10,059,441</u> |

23 Merger Reserve

The Group

| | 30 April 2006 £ | 31 May 2005 £ |
|--|--------------------------------|------------------------------|
| At 1 June 2005 | 12,673,779 | 12,673,779 |
| Transfer to merger reserve in respect of subsidiaries disposed of in earlier years | (161,498) | - |
| Amount attributable to minority interests | 42,104 | - |
| Transfer from merger reserve arising on disposal of subsidiary undertakings | (213,115) | - |
| Balance at 30 April 2006 | <u>12,341,270</u> | <u>12,673,779</u> |

The Company

| | | |
|----------------------------------|-------------------|-------------------|
| At 1 June 2005 and 30 April 2006 | <u>12,303,922</u> | <u>12,303,922</u> |
|----------------------------------|-------------------|-------------------|

24 Profit and Loss Account

The Group

| | 30 April 2006 £ | 31 May 2005 £ |
|---|--------------------------------|------------------------------|
| Parent's loss for the period | (8,008) | (5,296) |
| Aggregate of subsidiaries' (losses)/profits for the period | (627,478) | 216,044 |
| Movement in the year on disposal of subsidiary undertakings | 3,082,847 | - |
| | <u>2,447,361</u> | <u>210,748</u> |
| Dividends | (55,000) | (70,000) |
| Amount attributable to minority interests | 281,335 | 32,560 |
| | <u>2,673,696</u> | <u>173,308</u> |
| Balance at 1 June 2005 | 760,932 | 587,624 |
| Balance at 30 April 2006 | <u>3,434,628</u> | <u>760,932</u> |

ALTONWOOD HOLDINGS LIMITED

AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE ELEVEN MONTHS ENDED 30TH APRIL 2006

24 Profit and Loss Account (continued)

The Company

| | 30 April 2006 | 31 May 2005 |
|------------------------------|--------------------------|------------------------|
| | £ | £ |
| At 1 June 2005 | 491,010 | 566,306 |
| Retained loss for the period | (8,008) | (5,296) |
| Dividend | (55,000) | (70,000) |
| Balance at 30 April 2006 | <u>428,002</u> | <u>491,010</u> |

25 Minority interests

Equity interests

| | 30 April 2006 | 31 May 2005 |
|--|--------------------------|------------------------|
| | £ | £ |
| At 1 June 2005 | 1,664,629 | 595,401 |
| Share of loss for the period | (281,335) | (32,560) |
| Share of unrealised revaluation gains | - | 1,101,788 |
| Movements during the year on disposal of subsidiary undertakings in respect of the profit and loss account | 2,030,736 | - |
| Movements during the year on disposal of subsidiary undertakings in respect of the merger reserve | (276,727) | - |
| Movements during the year on revaluations written off on disposal of subsidiary undertakings | <u>(3,137,303)</u> | <u>-</u> |
| Balance at 30 April 2006 | <u>-</u> | <u>1,664,629</u> |

26 Reconciliation of Shareholders' Funds

The Group

| | 30 April 2006 | 31 May 2005 |
|--|--------------------------|------------------------|
| | £ | £ |
| Profit for the financial period | 2,673,696 | 173,308 |
| Revaluation reserve movements | (2,603,726) | 5,673,497 |
| Transfer to merger reserve in respect of subsidiaries disposed of in earlier years | (119,394) | - |
| Transfer from merger reserve arising on disposal of subsidiary undertakings | <u>(213,115)</u> | <u>-</u> |
| (Decrease)/Increase in shareholders' funds | <u>(262,539)</u> | <u>5,846,805</u> |
| Opening shareholders' funds | 23,594,152 | 17,747,347 |
| Closing shareholders' funds | <u>23,331,613</u> | <u>23,594,152</u> |

The Company

| | 31 May 2005 | 31 May 2004 |
|---------------------------------|------------------------|------------------------|
| | £ | £ |
| Loss for the financial period | <u>(63,008)</u> | <u>(75,296)</u> |
| Decrease in shareholders' funds | <u>(63,008)</u> | <u>(75,296)</u> |
| Opening shareholders' funds | 12,894,932 | 12,970,228 |
| Closing shareholders' funds | <u>12,831,924</u> | <u>12,894,932</u> |

ALTONWOOD HOLDINGS LIMITED

AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE ELEVEN MONTHS ENDED 30TH APRIL 2006

27 Contingent Liabilities

The company, via its subsidiaries, has given guarantees to its bankers in respect of subsidiary companies which amounted to £2,792,581 at 30 April 2006 (£6,953,463 at 31 May 2005)

28 Transactions with Directors

Mr P J Skinner has an interest in the supply of accountancy services to the group in the period to 30 April 2006 which amounted to £60,522 (Year ended 31 May 2005 £64,236)

Mr R G Noades has given a personal guarantee to a subsidiary's bankers amounting to £Nil at 30 April 2006 (£1,000,000 at 31 May 2005) in respect of that company's borrowings

29 Subsidiary Undertakings

| Name of company | Proportion of equity shares held % | Nature of business |
|---|---|------------------------|
| Altonwood Limited | 100 00 | Investment Company |
| Westerham Golf Club Limited | 100 00 | Golf Club |
| Surrey National Golf Club Limited | 100 00 | Golf Club |
| Zinckirk Properties Limited | 100 00 | Property investment |
| Country & Metropolitan Investments Limited | 100 00 | Property investment |
| Streete Court Leisure Limited | 100 00 | Property investment |
| Woldingham Golf Club Limited | 100 00 | Golf Club |
| Altonwood Services Limited | 100 00 | Service Company |

All subsidiary undertakings are incorporated in England and Wales and have prepared financial statements for the period ended 30 April 2006

During the period Altonwood Limited, a subsidiary undertaking disposed of its interests in the share capital of Brentford FC limited, Brentford Holdings Limited and Griffin Park Stadium Limited for £2. The group's share of the subsidiary undertakings net assets at the date of disposal was £1,895,492. The loss on disposal of the subsidiary undertakings is reflected in the financial statements as follows

| | Notes | Group | Minority Interests | Gross |
|-------------------------|-------|--------------------|-----------------------|--------------------|
| | | £ | £ | £ |
| Revaluation reserve | 22 | (4,765,224) | (3,137,303) | (7,902,527) |
| Profit and loss account | 24 | 3,082,847 | 2,030,736 | 5,113,583 |
| Merger reserve | 23 | (213,115) | (276,642) | (489,757) |
| | | <u>(1,895,492)</u> | <u>(1,383,209)</u> | <u>(3,278,701)</u> |

ALTONWOOD HOLDINGS LIMITED

AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE ELEVEN MONTHS ENDED 30TH APRIL 2006

30 Pension Scheme

Certain subsidiaries operate defined contribution schemes for the benefit of their employees. The assets of the schemes are held in independently administered funds. The pension costs charge represents contributions payable by the companies to the fund. There were no amounts outstanding at the year end. Certain subsidiaries also make contributions to the personal pensions of certain directors. The total contributions paid in the period amounted to £11,967 (31 May 2005 £11,417)

31 Related Parties

Certain group companies were party to agreements with Mr C Davison (trading as Davison Construction Limited), for building work on a commercial basis at those companies' freehold properties amounting to £11,645 (31 May 2005 £1,194). Mr Davison is the nephew of Mr R G Noades.

All the above transactions were carried out at an arm's length basis.

32 Ultimate Controlling Party

The company's ultimate controlling party during the current and preceding year has been Mr R G Noades.

33 Reconciliation of Operating (loss)/profit to Net Cash inflow from Operating Activities

| | 30th April 2006 £ | 30th April 2006 | 30th April 2006 | 31st May 2005 £ |
|---|-------------------------|--------------------|--------------------|-----------------------|
| | Continuing | Discontinued | Total | |
| Operating profit/(loss) | 374,564 | (577,220) | (202,656) | 412,135 |
| Depreciation charges | 222,179 | 78,691 | 300,870 | 265,029 |
| Exceptional item | (232,000) | - | (232,000) | - |
| Amortisation of intangible fixed assets | - | 26,050 | 26,050 | 16,486 |
| (Increase) in stocks | (8,227) | (6,242) | (14,469) | (22,437) |
| (Increase)/decrease in debtors | (422,164) | 8,618 | (413,546) | (675,954) |
| Increase in creditors | 201,797 | 67,676 | 269,473 | 1,443,412 |
| | 136,149 | (402,427) | (266,278) | 1,438,671 |

34 Analysis of Cash flows for headings netted in the Cash Flow Statement

| | 30th April 2006 £ | 31st May 2005 £ |
|--|-------------------------|-----------------------|
| Returns on Investments and Servicing of Finance | | |
| Other interest paid | (4,810) | (6,234) |
| Interest received | 93,617 | 8,440 |
| Interest on directors loan | (33,548) | - |
| Bank interest paid | (388,290) | (392,517) |
| Interest element of hire purchase contracts | (11,147) | (5,912) |
| Capital repayment on loan notes | 113,400 | 210,242 |
| Net cash outflow for returns on investments and servicing of finance | (230,778) | (185,981) |

ALTONWOOD HOLDINGS LIMITED

AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE ELEVEN MONTHS ENDED 30TH APRIL 2006

34 Analysis of Cash flows for headings netted in the Cash Flow Statement (continued)

Capital Expenditure and Financial Investment

| | | |
|---|------------------|--------------------|
| Sale of intangible fixed assets | 20,000 | 40,000 |
| Purchase of intangible fixed assets | (20,000) | (62,500) |
| Sale of tangible fixed assets | 186,606 | 136,750 |
| Purchase of tangible fixed assets | (561,902) | (4,275,920) |
| Investment property sale proceeds | - | 88,000 |
| Receipts from sale of other investments | - | 13,200 |
| Net cash outflow for capital expenditure and financial investment | (375,296) | (4,060,470) |

Acquisitions and Disposals

| | | |
|--|------------------|----------|
| Sale proceeds from disposal of subsidiary undertakings | 2 | - |
| Cash at bank disposed with disposal of subsidiary undertakings | (6,334) | - |
| Bank overdraft released with disposal of subsidiary undertakings | 4,723,786 | - |
| Net cash outflow for acquisitions and disposals | 4,717,454 | - |

35 Analysis of Changes in Net Debt

| | 1 June 2005 | Cash flow | Other non cash changes | Disposal of subsidiaries | 30 April 2006 |
|--------------------------------------|---------------------|--------------------|------------------------------|-----------------------------|--------------------|
| | £ | £ | | £ | £ |
| <u>Changes in cash</u> | | | | | |
| Cash at bank and in hand | 2,206,620 | (1,774,302) | - | (6,334) | 425,984 |
| Bank overdrafts | (4,957,957) | (549,670) | - | 4,726,786 | (783,841) |
| | <u>(2,751,337)</u> | <u>(2,323,972)</u> | <u>-</u> | <u>4,717,452</u> | <u>(357,857)</u> |
| <u>Changes in debt</u> | | | | | |
| Hire purchase | (70,133) | 98,735 | (129,561) | - | (100,959) |
| Bank loans | (5,086,666) | 513,043 | - | - | (4,573,623) |
| Other loans | (2,522,500) | 912,500 | - | 767,500 | (842,500) |
| | <u>(7,679,299)</u> | <u>1,524,278</u> | <u>(129,561)</u> | <u>767,500</u> | <u>(5,517,082)</u> |
| Total | <u>(10,430,636)</u> | <u>(799,694)</u> | <u>(129,561)</u> | <u>5,484,952</u> | <u>(5,874,939)</u> |
| Analysed in the Balance sheet | | | | | |
| Cash at Bank | 2,206,620 | | | | 425,984 |
| Debts falling due | | | | | |
| Within one year | (7,614,043) | | | | (1,677,334) |
| More than one year | (5,023,213) | | | | (4,623,589) |
| Total | <u>(10,430,636)</u> | | | | <u>(5,874,939)</u> |

ALTONWOOD HOLDINGS LIMITED

AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE ELEVEN MONTHS ENDED 30TH APRIL 2006

| 36 | Disposals of subsidiary undertakings | 30 April 2006 £ | 31 May 2005 £ |
|-----------|---|--------------------------------|------------------------------|
| | Net assets disposed | | |
| | Investments | 51,645 | - |
| | Intangible assets | 49,589 | - |
| | Tangible fixed assets | 10,274,334 | - |
| | Stocks | 48,709 | - |
| | Debtors | 397,789 | - |
| | Cash at bank | 6,334 | - |
| | Bank overdraft | (4,723,786) | - |
| | Creditors due one year | (2,295,913) | - |
| | Creditors due more than one year | (530,000) | - |
| | | <u>3,278,701</u> | <u>-</u> |
| | Loss on disposal | (3,278,699) | - |
| | Sale proceeds | <u>2</u> | <u>-</u> |

The above information relates to the company's disposal of its interest in the share capital of Brentford FC Limited, Brentford Holdings Limited and Griffin Park Stadium Limited

37 Capital Commitments

The Group

The group has no capital commitments at 30 April 2006 or 31 May 2005

The Company

The company has no capital commitments at either 30 April 2006 or 31 May 2005

38 Obligations under leasing agreements

The Group

The following amounts are committed to be paid within one year

| | Land and buildings | | Other | |
|----------------------------|---------------------------|-----------------|-----------------|-----------------|
| | 30.04 06 | 31 05 05 | 30.04 06 | 31 05 05 |
| | £ | £ | £ | £ |
| Operating leases expiring | | | | |
| Between one and five years | - | 36,250 | - | - |
| | <u>-</u> | <u>36,250</u> | <u>-</u> | <u>-</u> |

39 Post Balance Sheet Events

On 28th June 2006, the group acquired a majority shareholding in the Addington Golf Syndicate Limited

On 3rd November 2006, the group completed the sale of investment properties at Selhurst Park London SE25. These properties formed a significant part of the Group's investment property portfolio