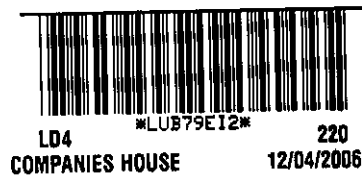


Registered number  
3819472

WY (WOODLAND PARK) LIMITED

Report and Accounts

24 November 2005



**WY (WOODLAND PARK) LIMITED**  
**Report and accounts**  
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**WY (WOODLAND PARK) LIMITED**  
**Company Information**

**Directors**

R C Felton  
J Hands

**Secretary**

Jordans Company Secretaries Limited

**Auditors**

PKF (UK) LLP  
Farringdon Place  
20 Farringdon Road  
London, UK  
EC1M 3AP

**Registered office**

The Old Library  
The Drive  
Sevenoaks  
Kent  
TN13 3AB

**Registered number**

3819472

## **WY (WOODLAND PARK) LIMITED**

### **Directors' Report**

The directors present their report and accounts for the period ended 24 November 2005.

#### **Principal activities**

The company's principal activity during the period continued to be that of the ownership and operation of the Woodland Park Hotel.

#### **Review of business and future developments**

The results for the period and financial position of the company are as shown in the annexed financial statements. The directors are optimistic as to the future success of the company.

#### **Dividends**

No dividends will be distributed for the period ended 24 November 2005.

#### **Directors**

The directors who served during the period under review were:

R.C. Felton  
J. Hands

The directors holding office at 24 November 2005 did not hold any beneficial interest in the issued share capital of the company or any other company within the group at 25 November 2004 or 24 November 2005, except J Hands, who holds two shares.

#### **Statement of Directors' responsibilities**

Company law requires the directors to prepare accounts 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 accounts, the directors are required to:


- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for ensuring that the directors' report and other information included in the financial statements is prepared in accordance with company law in the United Kingdom.

The directors are responsible for maintaining 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 accounts 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.

#### **Auditors**

On 23 May 2005, PKF transferred their business to PKF (UK) LLP, a limited liability partnership. Under section 26 (5) of the Companies Act 1989, the company consented to extend the audit appointment to PKF (UK) LLP from 23 May 2005. Accordingly, the audit report has been signed in the name of PKF (UK) LLP and a resolution for the reappointment of PKF (UK) LLP will be proposed at the forthcoming Annual General Meeting.



J Hands  
Director

## WY (WOODLAND PARK) LIMITED

### Independent auditors' report to the members of WY (WOODLAND PARK) LIMITED

We have audited the accounts of Wy (Woodland Park) Limited for the period ended 24 November 2005 which comprise the Profit and Loss account, the Balance Sheet and the related notes. These financial statements have been prepared under 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

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom 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.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

#### Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 the company's affairs as at 24 November 2005 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

PKF (UK) LLP

PKF (UK) LLP  
Registered auditors

London, UK

5 April 2006

**WY (WOODLAND PARK) LIMITED****Profit and Loss Account****for the period from 26 November 2004 to 24 November 2005**

	Notes	52 weeks ended 24 November 2005 £	52 weeks ended 25 November 2004 £
<b>Turnover</b>		4,330,286	3,498,253
Cost of sales		(965,938)	(769,103)
<b>Gross profit</b>		<u>3,364,348</u>	<u>2,729,150</u>
Administrative expenses		(3,190,572)	(2,659,334)
<b>Operating profit</b>	2	<u>173,776</u>	<u>69,816</u>
Interest payable	4	(251)	-
<b>Profit on ordinary activities before taxation</b>		<u>173,525</u>	<u>69,816</u>
Tax on profit on ordinary activities	5	(64,000)	(33,000)
<b>Retained profit for the period</b>	11	<u>109,525</u>	<u>36,816</u>

**Continuing operations**

None of the company's activities were acquired or discontinued during the above two periods.

**Statement of total recognised gains and losses**

The company has no recognised gains or losses other than the profit for the above two periods.

**WY (WOODLAND PARK) LIMITED**

**Balance Sheet**

**as at 24 November 2005**

	Notes	24 November 2005 £	25 November 2004 £
<b>Fixed assets</b>			
Tangible assets	6	14,522,937	15,164,351
<b>Current assets</b>			
Stocks	7	16,194	19,560
Debtors	8	333,259	187,072
Cash at bank and in hand		2,500	10,042
		<u>351,953</u>	<u>216,674</u>
<b>Creditors: amounts falling due within one year</b>	9	(2,695,022)	(3,374,682)
<b>Net current liabilities</b>		<u>(2,343,069)</u>	<u>(3,158,008)</u>
<b>Total assets less current liabilities</b>		<u>12,179,868</u>	<u>12,006,343</u>
<b>Provisions for liabilities and charges</b>			
Deferred taxation	5	(356,000)	(292,000)
		<u>11,823,868</u>	<u>11,714,343</u>
<b>Capital and reserves</b>			
Called up share capital	10	10,179,901	10,179,901
Profit and loss account	11	1,643,967	1,534,442
<b>Shareholders' funds</b>	12	<u>11,823,868</u>	<u>11,714,343</u>

*J Hands*

J Hands

Director

Approved by the board on 28 March 2006

# **WY (WOODLAND PARK) LIMITED**

## **Notes to the Accounts**

**for the period from 26 November 2004 to 24 November 2005**

### **1 Accounting policies**

#### ***Fundamental Accounting Concept***

The accounts have been prepared on a going concern basis on the basis of continuing financial support from the immediate parent undertaking Hand Picked Hotels Limited.

#### ***Accounting convention***

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

#### ***Turnover***

Turnover represents net invoiced sales of goods and services, excluding value added tax, all of which is generated through the operation of the hotel. It is recognised at the point at which goods and services are delivered to the customer.

#### ***Depreciation***

Depreciation is provided on all tangible fixed assets, other than freehold land and assets in the course of construction, at rates calculated to write off the cost less estimated residual value, of each asset evenly over its expected useful life, as follows:

Freehold buildings core	50 years
Freehold buildings surface finishes and services	20 years
Fixtures and fittings	4 to 25 years

#### ***Stocks***

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

#### ***Financial Reporting Standard Number 1***

Exemption has been taken from preparing a cash flow statement on the grounds that the company is a wholly owned subsidiary undertaking.

#### ***Deferred taxation***

Deferred tax is provided on material timing differences between the incidence of income and expenditure for taxation and accounts purposes using the full provision basis set out in Financial Reporting Standard 19.

#### ***Related party transactions***

The company has taken advantage of the exemptions in FRS 8 in connection with the disclosure of transactions with other group undertakings.

#### ***Leasing***

Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

#### ***Pensions***

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.



**WY (WOODLAND PARK) LIMITED****Notes to the Accounts****for the period from 26 November 2004 to 24 November 2005**

<b>2 Operating profit</b>	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
This is stated after charging:		
Depreciation of owned fixed assets	759,485	591,992
Other operating leases	1,621	1,701
Auditors' remuneration - audit fees	2,340	2,600

<b>3 Staff costs</b>	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Wages and salaries	893,490	757,526
Social security costs	82,110	68,750
Other pension costs	14,301	15,507
Sub total	989,901	841,783
Agency staff	332,643	255,146
Total	1,322,544	1,096,929

None of the directors received any remuneration for the period (2004: £nil).

<b>Average number of employees during the year</b>	<b>Number</b>	<b>Number</b>
Hotel operations	37	33
Administration	6	6
	43	39

<b>4 Interest payable</b>	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Other interest	251	-

<b>5 Taxation</b>	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Current year charge		
Corporation tax	-	-
Total current tax	-	-
Deferred taxation	64,000	33,000
Total tax	64,000	33,000

**WY (WOODLAND PARK) LIMITED****Notes to the Accounts****for the period from 26 November 2004 to 24 November 2005****5 Taxation (continued)**

	2005 £	2004 £
<b>Factors affecting tax charge for the period</b>		
Profit/(loss) on ordinary activities before tax	<u>173,525</u>	<u>69,816</u>
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax (30%)	52,058	20,945
<i>Explained by:</i>		
Expenses not deductible for corporation tax purposes	14,252	14,305
Capital allowances in excess of depreciation	36,524	(42,782)
Losses brought forward utilised in the period	(100,655)	-
Losses carried forward for future offset	-	7,532
Group relief claimed	(2,179)	-
<b>Total current tax</b>	<u>-</u>	<u>-</u>

<b>Deferred tax</b>	<b>£</b>
At 26 November 2004	(292,000)
Charged to profit and loss	(64,000)
At 24 November 2005	<u>(356,000)</u>

Deferred tax is analysed as follows:

Short term timing differences	1,500
Accelerated capital allowances	(357,500)
	<u>(356,000)</u>

The company has not provided for capital gains tax which would arise on the sale of land and buildings for their carrying values. At the period end this liability is estimated at £711,000 (2004 £1,018,000).

# WY (WOODLAND PARK) LIMITED

## Notes to the Accounts

for the period from 26 November 2004 to 24 November 2005

### 6 Tangible Fixed Assets

	Freehold land and buildings £	Fixtures and fittings £	Total £
<b>Cost</b>			
At 26 November 2004	9,268,227	7,344,796	16,613,023
Additions	2,251	115,820	118,071
At 24 November 2005	<u>9,270,478</u>	<u>7,460,616</u>	<u>16,731,094</u>
<b>Depreciation</b>			
At 26 November 2004	411,903	1,036,769	1,448,672
Charge for the period	47,377	712,108	759,485
At 24 November 2005	<u>459,280</u>	<u>1,748,877</u>	<u>2,208,157</u>
<b>Net book value</b>			
At 24 November 2005	<u>8,811,198</u>	<u>5,711,739</u>	<u>14,522,937</u>
At 25 November 2004	<u>8,856,324</u>	<u>6,308,027</u>	<u>15,164,351</u>

Included in freehold land and buildings is freehold land of £1,750,219 (2004: £1,747,968) which is not depreciated.

7 Stocks	2005 £	2004 £
Goods for resale	<u>16,194</u>	<u>19,560</u>
<b>8 Debtors</b>	<b>2005 £</b>	<b>2004 £</b>
Trade debtors	310,112	166,927
Amounts due from fellow subsidiary undertakings	1,091	-
Other debtors	14,698	14,687
Prepayments and accrued income	7,358	5,458
	<u>333,259</u>	<u>187,072</u>

# WY (WOODLAND PARK) LIMITED

## Notes to the Accounts

for the period from 26 November 2004 to 24 November 2005

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

	2005 £	2004 £
Bank loans and overdrafts	10,928	-
Payments in advance	169,290	161,869
Trade creditors	103,517	247,048
Amounts due to immediate parent undertaking	2,184,623	2,798,692
Amounts due to fellow subsidiary undertakings	1,252	265
Other taxes and social security costs	159,790	134,100
Other creditors	2,873	3,049
Accruals and deferred income	62,749	29,659
	<u>2,695,022</u>	<u>3,374,682</u>

### 10 Share capital

	2005 No	2004 No	2005 £	2004 £
Authorised:				
Ordinary shares of £1 each	20,000,000	20,000,000	20,000,000	20,000,000
Allotted, issued and fully paid:				
Ordinary shares of £1 each	10,179,901	10,179,901	<u>10,179,901</u>	<u>10,179,901</u>

### 11 Profit and loss account

	2005 £	2004 £
At 26 November 2004	1,534,442	1,497,626
Retained profit	109,525	36,816
	<u>1,643,967</u>	<u>1,534,442</u>
At 24 November 2005		

### 12 Reconciliation of movement in shareholders' funds

	2005 £	2004 £
At 26 November 2004	11,714,343	11,677,527
Profit for the financial period	109,525	36,816
	<u>11,823,868</u>	<u>11,714,343</u>
At 24 November 2005		

## **WY (WOODLAND PARK) LIMITED**

### **Notes to the Accounts**

**for the period from 26 November 2004 to 24 November 2005**

#### **13 Contingent liability**

The company has granted a fixed and floating charge over the company and all property and assets, present and future, as part of the group's banking arrangements. The amount owed by the Hand Picked Hotels group, as at 24 November 2005 was £50,541,367 (2004: £54,057,276).

On 1 December 2005 the group paid off its bank loans and entered into a new facility. As part of this arrangement, the company has granted a new fixed and floating charge over the company and certain current property and assets. The amount owed following this transaction was £80,000,000.

#### **14 Ultimate Parent Company**

The company's ultimate parent undertaking is Benfica Limited, which is registered in the Isle of Man. The company's immediate parent is Hand Picked Hotels Limited a company registered in England and Wales. The largest and smallest group, in whose financial statements the results of the company will be consolidated is Hand Picked Hotels Limited. The consolidated accounts of Hand Picked Hotels Limited will be available to the public and will be obtainable in due course from the Registrar of Companies, Companies House, Crown Way, Cardiff.

The controlling party is Mr G Hands.