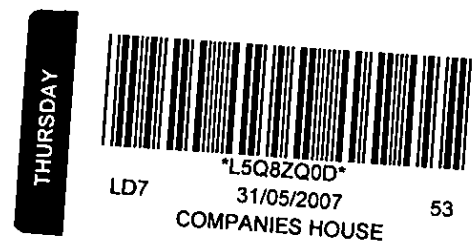


Registered number  
3819472

WY (WOODLAND PARK) LIMITED

Report and Accounts

30 November 2006



**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 30 November 2006

#### **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 30 November 2006

#### **Directors**

The directors who served during the period under review were

R C Felton

J Hands

The directors holding office at 30 November 2006 did not hold any beneficial interest in the issued share capital of the company or any other company within the group at 24 November 2005 or 30 November 2006, except J Hands, who holds two shares.

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

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- 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 that 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.

#### **Provision of information to auditors**

So far as each of the directors is aware at the time the report is approved

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

**WY (WOODLAND PARK) LIMITED**

**Directors' Report (continued)**

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

This report was approved by the board on 8 May 2007

A handwritten signature in black ink, appearing to read 'J Hands', written in a cursive style.

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 30 November 2006 which comprise the profit and loss account, the balance sheet and the related notes. The 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 ('United Kingdom Generally Accepted Accounting Practice') 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 have been properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion 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 judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 30 November 2006 and of its profit for the period 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.

PKF (UK) LLP

PKF (UK) LLP

Registered auditors

London, UK

17 May 2007

**WY (WOODLAND PARK) LIMITED****Profit and Loss Account****for the period from 25 November 2005 to 30 November 2006**

	Notes	Period ended 30 November 2006 £	Period ended 24 November 2005 £
<b>Turnover</b>		4,689,950	4,330,286
Cost of sales		(967,838)	(965,938)
<b>Gross profit</b>		<u>3,722,112</u>	<u>3,364,348</u>
Administrative expenses		(3,303,234)	(3,190,572)
<b>Operating profit</b>	2	<u>418,878</u>	<u>173,776</u>
Interest payable	4	-	(251)
<b>Profit on ordinary activities before taxation</b>		<u>418,878</u>	<u>173,525</u>
Tax on profit on ordinary activities	5	115,000	(64,000)
<b>Profit for the period</b>	11	<u>533,878</u>	<u>109,525</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 30 November 2006**

	Notes	30 November 2006 £	24 November 2005 £
<b>Fixed assets</b>			
Tangible assets	6	14,085,302	14,522,937
<b>Current assets</b>			
Stocks	7	18,817	16,194
Debtors	8	292,006	333,259
Cash at bank and in hand		35,047	2,500
		<u>345,870</u>	<u>351,953</u>
<b>Creditors: amounts falling due within one year</b>	9	(1,832,426)	(2,695,022)
<b>Net current liabilities</b>		<u>(1,486,556)</u>	<u>(2,343,069)</u>
<b>Total assets less current liabilities</b>		<u>12,598,746</u>	<u>12,179,868</u>
<b>Provisions for liabilities and charges</b>			
Deferred taxation	5	(241,000)	(356,000)
		<u>12,357,746</u>	<u>11,823,868</u>
<b>Capital and reserves</b>			
Called up share capital	10	10,179,901	10,179,901
Profit and loss account	11	2,177,845	1,643,967
<b>Shareholders' funds</b>	12	<u>12,357,746</u>	<u>11,823,868</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 8 May 2007



J Hands  
Director



# **WY (WOODLAND PARK) LIMITED**

## **Notes to the Accounts**

**for the period from 25 November 2005 to 30 November 2006**

### **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***

As required by Financial Reporting Standard 19 "Deferred Tax", full provision is made for deferred tax assets and liabilities arising from all timing difference between the recognition of gains and losses in the financial statements and recognition in the tax computation, except for those timing differences in respect of which FRS19 specifies that deferred tax should not be recognised

Deferred assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse. Deferred tax balances are not discounted

#### ***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

**WY (WOODLAND PARK) LIMITED****Notes to the Accounts****for the period from 25 November 2005 to 30 November 2006****1 Accounting policies (continued)*****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.

<b>2 Operating profit</b>	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
This is stated after charging		
Depreciation of owned fixed assets	766,986	759,485
Other operating leases	1,621	1,621
Auditors' remuneration - audit fees	2,385	2,340
Tax advice fees	-	-

The tax advice fees for the period ended 30 November 2006 have been borne by the parent company.

<b>3 Staff costs</b>	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
Wages and salaries	897,804	893,490
Social security costs	80,253	82,110
Other pension costs	14,594	14,301
Sub total	992,651	989,901
Agency staff	368,498	332,643
Total	1,361,149	1,322,544

None of the directors received any remuneration for the period (2005 £nil)

<b>Average number of employees during the year</b>	<b>Number</b>	<b>Number</b>
Hotel operations	32	37
Administration	6	6
	38	43

<b>4 Interest payable</b>	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
Other interest	-	251

**WY (WOODLAND PARK) LIMITED****Notes to the Accounts****for the period from 25 November 2005 to 30 November 2006****5 Taxation**

	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
<b>Current year charge</b>		
Corporation tax	-	-
Total current tax	-	-
<b>Deferred taxation</b>		
Current year	(89,500)	64,000
Adjustments in respect of prior years	(25,500)	-
<b>Total tax</b>	<b>(115,000)</b>	<b>64,000</b>

	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
<b>Factors affecting tax charge for the period</b>		
Profit on ordinary activities before tax	418,878	173,525
Profit on ordinary activities multiplied by standard rate of corporation tax (30%)	125,663	52,058
<i>Explained by</i>		
Expenses not deductible for corporation tax purposes	14,223	14,252
Capital allowances in excess of depreciation	25,733	36,524
Losses brought forward utilised in the period	-	(100,655)
Group relief claimed	(165,619)	(2,179)
<b>Total current tax</b>	<b>-</b>	<b>-</b>

<b>Deferred tax</b>	<b>£</b>
At 25 November 2005	(356,000)
Prior year adjustment	25,500
Credited to profit and loss in the period	89,500
At 30 November 2006	<b>(241,000)</b>
<b>Deferred tax is analysed as follows</b>	
Short term timing differences	1,500
Accelerated capital allowances	(242,500)
	<b>(241,000)</b>

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 £417,000 (2005 £711,000)

**WY (WOODLAND PARK) LIMITED****Notes to the Accounts****for the period from 25 November 2005 to 30 November 2006****6 Tangible Fixed Assets**

	<b>Freehold land and buildings £</b>	<b>Fixtures and fittings £</b>	<b>Total £</b>
<b>Cost</b>			
At 25 November 2005	9,270,478	7,460,616	16,731,094
Additions	-	329,351	329,351
Disposals	-	(128,471)	(128,471)
At 30 November 2006	<u>9,270,478</u>	<u>7,661,496</u>	<u>16,931,974</u>
<b>Depreciation</b>			
At 25 November 2005	459,280	1,748,877	2,208,157
Charge for the period	47,377	719,609	766,986
On disposals	-	(128,471)	(128,471)
At 30 November 2006	<u>506,657</u>	<u>2,340,015</u>	<u>2,846,672</u>
<b>Net book value</b>			
At 30 November 2006	<u>8,763,821</u>	<u>5,321,481</u>	<u>14,085,302</u>
At 24 November 2005	<u>8,811,198</u>	<u>5,711,739</u>	<u>14,522,937</u>

Included in freehold land and buildings is freehold land of £1,750,219 (2005 £1,750,219) which is not depreciated

**7 Stocks**

	<b>2006 £</b>	<b>2005 £</b>
Goods for resale	<u>18,817</u>	<u>16,194</u>

**8 Debtors**

	<b>2006 £</b>	<b>2005 £</b>
Trade debtors	254,986	310,112
Amounts due from fellow subsidiary undertakings	73	1,091
Other debtors	17,394	14,698
Prepayments and accrued income	<u>19,553</u>	<u>7,358</u>
	<u>292,006</u>	<u>333,259</u>

**WY (WOODLAND PARK) LIMITED****Notes to the Accounts****for the period from 25 November 2005 to 30 November 2006****9 Creditors: amounts falling due within one year**

	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	-	10,928
Payments in advance	146,587	169,290
Trade creditors	137,924	103,517
Amounts due to immediate parent undertaking	1,360,693	2,184,623
Amounts due to fellow subsidiary undertakings	184	1,252
Other taxes and social security costs	139,230	159,790
Other creditors	3,227	2,873
Accruals and deferred income	44,581	62,749
	<u>1,832,426</u>	<u>2,695,022</u>

**10 Share capital**

	<b>2006</b>	<b>2005</b>	<b>2006</b>	<b>2005</b>
	<b>No</b>	<b>No</b>	<b>£</b>	<b>£</b>
Authorised				
Ordinary shares of £1 each	20,000,000	20,000,000	20,000,000	20,000,000
Alotted, 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**

	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
At 25 November 2005	1,643,967	1,534,442
Profit for the period	533,878	109,525
	<u>2,177,845</u>	<u>1,643,967</u>
At 30 November 2006		

**12 Reconciliation of movement in shareholders' funds**

	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
At 25 November 2005	11,823,868	11,714,343
Profit for the period	533,878	109,525
	<u>12,357,746</u>	<u>11,823,868</u>
At 30 November 2006		

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

### **Notes to the Accounts**

**for the period from 25 November 2005 to 30 November 2006**

#### **13 Other financial commitments**

At the year end the company had annual commitments under non-cancellable operating leases as set out below

	<b>Other 2006 £</b>	<b>Other 2005 £</b>
Operating leases which expire within two to five years	<u>1,621</u>	<u>1,621</u>
	<u>1,621</u>	<u>1,621</u>

#### **14 Contingent liability**

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 property and current assets. The amount owed by the Hand Picked Hotels group as at 30 November 2006 was £75,350,000 (2005 £50,541,367)

#### **15 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