

Registration number 2419424

Ashdown Forest Golf Hotel Limited
Directors' report and financial statements
for the year ended 31 March 2002



Ashdown Forest Golf Hotel Limited

Company information

Directors	J Dingle C Haines
Secretary	C P Baker ACIS
Company number	2419424
Registered office	35 Osborne Road Southsea Hampshire PO5 3LR
Auditors	Lewis Brownlee Avenue House Southgate Chichester West Sussex PO19 1ES

Ashdown Forest Golf Hotel Limited

Contents

	Page
Directors' report	1
Auditors' report	2 - 3
Profit and loss account	4
Balance sheet	5
Notes to the financial statements	6 - 11

Ashdown Forest Golf Hotel Limited

Directors' report for the year ended 31 March 2002

The directors present their report and the financial statements for the year ended 31 March 2002.

Principal activity

The company owns a hotel which is rented to its subsidiary, which operates it. The hotel was sold after the year end and the company is now looking at further investment opportunities.

Directors and their interests

The directors who served during the year and their interests in the company are as stated below:

	Ordinary shares	
	31/03/02	01/04/01
J Dingle	-	-
C Haines	-	-

Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company and of the profit or loss of the company for that year. In preparing these the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements 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 which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They 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

In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Lewis Brownlee be reappointed as auditors of the company will be put to the Annual General Meeting.

This report is 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.....27 June 2002 and signed on its behalf by

J Dingle
Director



Ashdown Forest Golf Hotel Limited

Independent auditors' report to the shareholders of Ashdown Forest Golf Hotel Limited

We have audited the financial statements of Ashdown Forest Golf Hotel Limited for the year ended 31 March 2002 which comprise the profit and loss account, the balance sheet and the related notes. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000), under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the statement of directors' responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

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 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 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.

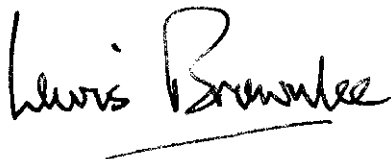
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity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

Ashdown Forest Golf Hotel Limited

Independent auditors' report to the shareholders of Ashdown Forest Golf Hotel Limited continued

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2002 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Lewis Brownlee
Registered auditors

Avenue House
Southgate
Chichester
West Sussex
PO19 1ES

30 June 2003.

Ashdown Forest Golf Hotel Limited

**Profit and loss account
for the year ended 31 March 2002**

		2002	2001
	Notes	£	£
Turnover	2	-	12,000
Administrative expenses		(117,196)	(251,590)
Operating loss	3	(117,196)	(239,590)
Amount written off investments	4	(147,216)	(368,832)
Interest payable and similar charges		(18,964)	(23,885)
Loss for the year		(283,376)	(632,307)
Accumulated loss brought forward		(1,150,661)	(518,354)
Accumulated loss carried forward		(1,434,037)	(1,150,661)

The notes on pages 6 to 11 form an integral part of these financial statements.

Ashdown Forest Golf Hotel Limited

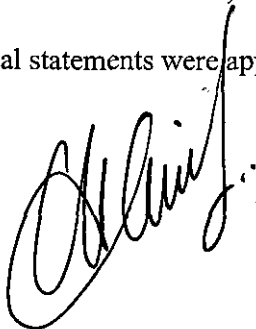
**Balance sheet
as at 31 March 2002**

	Notes	2002		2001	
		£	£	£	£
Fixed assets					
Intangible assets	6		-		18,751
Tangible assets	7		1,190,000		1,318,976
Investments	8		100		100
			<u>1,190,100</u>		<u>1,337,827</u>
Current assets					
Debtors	9	36,700		36,000	
Cash at bank and in hand		77		107	
		<u>36,777</u>		<u>36,107</u>	
Creditors: amounts falling due within one year	10	(44,135)		(24,205)	
Net current (liabilities)/assets			<u>(7,358)</u>		<u>11,902</u>
Total assets less current liabilities			1,182,742		1,349,729
Creditors: amounts falling due after more than one year	11		(2,241,779)		(2,125,390)
Deficiency of assets			<u>(1,059,037)</u>		<u>(775,661)</u>
Capital and reserves					
Called up share capital	12		375,000		375,000
Profit and loss account			(1,434,037)		(1,150,661)
Shareholders' funds			<u>(1,059,037)</u>		<u>(775,661)</u>

The financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

The financial statements were approved by the Board on 27 June 2002 and signed on its behalf by

C. Haines
Director



The notes on pages 6 to 11 form an integral part of these financial statements.

Ashdown Forest Golf Hotel Limited

Notes to the financial statements for the year ended 31 March 2002

1. Accounting policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

1.3. Goodwill

Acquired goodwill was fully written off in the previous period

1.4. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Buildings	-	Straight line over 25 years
-----------	---	-----------------------------

1.5. Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.6. Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes.

1.7. Group accounts

The company is entitled to the exemption under Section 248 of the Companies Act 1985 from the obligation to prepare group accounts. These financial statements therefore present information about the company as an individual undertaking and not about its group.

1.8. Going concern

The Financial Statements have been prepared on the basis that the company is a going concern. The company's ability to continue as a going concern is dependent upon the support provided by the parent company or other companies within the group. The directors have received assurances that the level of support necessary to ensure that the company can continue in existence and that the company's creditors outside the group will be paid in full, will be provided for at least the next twelve months from the date of completion of these financial statements.

2. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK.

Ashdown Forest Golf Hotel Limited

Notes to the financial statements for the year ended 31 March 2002

..... continued

3. Operating loss	2002	2001
	£	£
Operating loss is stated after charging:		
Depreciation and other amounts written off intangible assets	18,751	69,583
Depreciation and other amounts written off tangible assets	46,477	181,478
Auditors' remuneration	2,529	500
	<u> </u>	<u> </u>
 4. Amounts written off investments	 2002	 2001
	£	£
Amounts written off fixed assets		
- permanent diminution in value	82,499	-
Amounts written off investments		
- permanent diminution in value	64,717	368,832
	<u>147,216</u>	<u>368,832</u>
	<u> </u>	<u> </u>
 5. Directors' emoluments	 2002	 2001
	£	£
Remuneration and other benefits	6,255	-
	<u> </u>	<u> </u>
 6. Intangible fixed assets	 Golf Course	
	Agreement	Goodwill
	£	£
At 1 April 2001	25,000	75,000
At 31 March 2002	25,000	75,000
	<u> </u>	<u> </u>
Provision for		
diminution in value		
At 1 April 2001	6,249	75,000
Charge for year	18,751	-
At 31 March 2002	25,000	75,000
	<u> </u>	<u> </u>
Net book values		
At 31 March 2002	-	-
At 31 March 2001	18,751	-
	<u> </u>	<u> </u>
	<u> </u>	<u> </u>

Ashdown Forest Golf Hotel Limited

Notes to the financial statements for the year ended 31 March 2002

..... continued

7. Tangible fixed assets	Land and buildings freehold £	Plant and machinery £	Total £
Cost			
At 1 April 2001	1,411,931	150,000	1,561,931
At 31 March 2002	1,411,931	150,000	1,561,931
Depreciation			
At 1 April 2001	92,955	150,000	242,955
Diminution in value	82,499	-	82,499
Charge for the year	46,477	-	46,477
At 31 March 2002	221,931	150,000	454,430
Net book values			
At 31 March 2002	1,190,000	-	1,190,000
At 31 March 2001	1,318,976	-	1,318,976

8. Fixed asset investments	Subsidiary undertakings shares £	Subsidiary undertakings loans £	Total £
Cost			
At 1 April 2001	100	368,832	368,932
Additions	-	64,717	64,717
At 31 March 2002	100	433,549	433,649
Provisions for diminution in value:			
At 1 April 2001	-	368,832	368,832
Movement	-	64,717	64,717
At 31 March 2002	-	433,549	433,549
Net book values			
At 31 March 2002	100	-	100
At 31 March 2001	100	-	100

Ashdown Forest Golf Hotel Limited

Notes to the financial statements for the year ended 31 March 2002

..... continued

8.1. Holdings of 20% or more

The company holds 20% or more of the share capital of the following companies:

Company	Country of registration or incorporation	Nature of business	Shares held class	Proportion of shares held
Subsidiary undertaking				
Ashdown Golf Management Limited	England and Wales	Hotel Management	Ordinary	100%

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Capital and reserves £	Profit for the year £
Ashdown Golf Management Limited	(608,630)	(69,293)

The loan represents amounts owed by the subsidiary, Ashdown Golf Management Limited, the amount has been fully written off.

9. Debtors	2002 £	2001 £
Other debtors	<u>36,700</u>	<u>36,000</u>
10. Creditors: amounts falling due within one year	2002 £	2001 £
Bank loan	22,000	22,000
Other creditors	20,000	-
Accruals and deferred income	<u>2,135</u>	<u>2,205</u>
	<u>44,135</u>	<u>24,205</u>

Ashdown Forest Golf Hotel Limited

Notes to the financial statements for the year ended 31 March 2002

..... continued

11. Creditors: amounts falling due after more than one year	2002 £	2001 £
Bank loan	255,513	273,124
Amounts owed to holding company	1,986,266	1,852,266
	<u>2,241,779</u>	<u>2,125,390</u>

The bank loan is repayable by instalments, of which (excluding interest) £156,000 falls due after more than 5 years. The loan is secured by a first legal charge on the freehold property and the golf course agreement and by a floating charge over all of the company's assets. The loan was fully repaid after the year end when the hotel was sold. The loan from the holding company has been provided to fund the company and its subsidiary. There is no schedule for repayment, and no interest was charged in the period.

12. Share capital	2002 £	2001 £
Authorised		
375,000 Ordinary shares of £1 each	<u>375,000</u>	<u>375,000</u>
Allotted, called up and fully paid		
375,000 Ordinary shares of £1 each	<u>375,000</u>	<u>375,000</u>

13. Contingent liabilities

The company has guaranteed the overdraft of its subsidiary Ashdown Golf Management Ltd, which at 31 March 2002 totalled £14,690 (2001: £47,486). It has also provided assurances to the directors of Ashdown Golf Management Ltd that it will provide the finance necessary to ensure that it can meet all its other liabilities as they fall due, at 31 March 2002 these amounted to £115,721. There were no other contingent liabilities at 31 March 2002 (2001:nil).

14. Related party transactions

During the period the company rented its hotel to its subsidiary for no charge (2001:£12,000), and was recharged costs of £38,250 by its subsidiary Ashdown Golf Management Ltd. The other debtor of £36,000 in the comparatives, see note 9, is rent to be invoiced to its subsidiary Ashdown Golf Management Limited, this has been fully provided against this year.

Ashdown Forest Golf Hotel Limited

**Notes to the financial statements
for the year ended 31 March 2002**

..... continued

15. Ultimate parent undertaking

The company during the period was ultimately owned and controlled by the Malaysian company, Prime Life Common Fund (L) Limited.

16. Post balance sheet events

After the year end the company sold the hotel for £1,220,000.