

GR (Greenock) Limited

Report and Financial Statements

Year Ended

31 March 2010

Company number 3822757

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GR (Greenock) Limited

**Report and financial statements
for the year ended 31 March 2010**

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Directors

A C Gallagher
G H Gosling

Secretary and registered office

S A Burnett, 15 Hockley Court, Stratford Road, Hockley Heath, Solihull, West Midlands, B94 6NW

Company number

3822757

Auditors

BDO LLP, 2 City Place, Beehive Ring Road, Gatwick, West Sussex, RH6 0PA

GR (Greenock) Limited

Report of the directors for the year ended 31 March 2010

The directors present their report together with the audited financial statements for the year ended 31 March 2010

Results

The profit and loss account is set out on page 5 and shows the loss for the year

The directors do not recommend the payment of a final dividend (2009 - £Nil)

Principal activities

The principal activity of the company in the year under review was that of intermediate holding company

The results for the year and financial position of the company are as shown in the annexed financial statements

Directors

The directors of the company during the year were

A C Gallagher
G H Gosling

Directors' responsibilities

The directors are responsible for preparing the directors' 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. Under company law the directors must not approve the financial statements unless they are satisfied that they 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 judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and 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 2006. 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.

GR (Greenock) Limited

Report of the directors for the year ended 31 March 2010 (*continued*)


Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purpose of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

The auditors, BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting, in accordance with section 485 of the Companies Act 2006.

In preparing this directors' report advantage has been taken of the small companies' exemption.

On behalf of the Board



G H Gosling
Director

Date

28 September 2010

GR (Greenock) Limited

Independent auditor's report

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GR (GREENOCK) LIMITED

We have audited the financial statements of GR (Greenock) Limited for the year ended 31 March 2010 which comprise the profit and loss account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 March 2010 and of its result for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

GR (Greenock) Limited

Independent auditor's report

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the directors' report for the financial year [period] for which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies' regime



James Roberts (*senior statutory auditor*)
For and on behalf of BDO LLP, statutory auditor
Gatwick
United Kingdom

Date 29 September 2010

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

GR (Greenock) Limited

Profit and loss account for the year ended 31 March 2010

	Note	2010 £	2009 £
Turnover		-	-
Administrative expenses		<u>1,371,038</u>	<u></u>
Operating (loss)/profit	2	(1,371,038)	-
Interest receivable		35,749	51,861
Interest payable under similar charges	3	<u>(548,814)</u>	<u>(1,035,498)</u>
Loss on ordinary activities before taxation		(1,884,103)	(983,637)
Taxation on loss on ordinary activities		<u>143,658</u>	<u>275,418</u>
Loss for the financial year after taxation		<u>(1,740,445)</u>	<u>(708,219)</u>

All amounts relate to continuing activities

The company has no recognised gains and losses other than the loss for the current and previous year

The notes on pages 7 to 10 form part of these financial statements


GR (Greenock) Limited

Balance sheet at 31 March 2010

<i>Company number: 3822757</i>	Note	2010 £	2010 £	2009 £	2009 £
Fixed assets					
Investments	4		14,000,001		14,000,001
Current assets					
Debtors	5	-		1,191,631	
		-		1,191,631	
Creditors, amounts falling due within one year	6	18,842,613		18,293,799	
Net current liabilities			(18,842,613)		(17,102,168)
Net liabilities			(4,842,612)		(3,102,167)
Capital and reserves					
Called up share capital	7		1,250,002		1,250,002
Profit and loss account	8		(6,092,614)		(4,352,169)
Shareholders' deficit	12		(4,842,612)		(3,102,167)

These financial statements have been prepared in accordance with the special provisions of the Companies Act 2006 relating to small companies

The financial statements were approved by the Board and authorised for issue on 28 September 2010


G H Gosling
Director

The notes on pages 7 to 10 form part of these financial statements

GR (Greenock) Limited

Notes forming part of the financial statements for the year ended 31 March 2010

1 Accounting policies

The financial statements have been prepared under the historical cost convention. The following principal accounting policies have been applied:

Basis of preparation

At 31 March 2010 the company had net liabilities of £4,842,612 (2009 - £3,102,167) and net current liabilities of £18,842,613 (2009 - £17,102,168).

The financial statements have been prepared on a going concern basis. In considering the appropriateness of the going concern assumption, the directors have taken into consideration the company's cash flow forecasts and the company's present level of funding. The shareholders have indicated that they will not withdraw the existing financial support to the company for at least a year from the date of approval of these financial statements. The directors are therefore confident that they have sufficient working capital and consider that adequate longer term funding will remain in place and consequently the company will continue as a going concern. No adjustments have been made to the carrying value of both assets and liabilities, that might be required should the going concern basis be inappropriate.

Cash flow statement

The company has taken advantage of the exemption conferred by Financial Reporting Standard 1 'Cash Flow Statements (Revised 1996)' not to prepare a cash flow statement on the grounds that it is a 'small' company under the Companies Act 2006.

Deferred taxation

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date except that the recognition of deferred tax assets is limited to the extent that the company anticipates to make sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

Consolidated accounts

Consolidated accounts have not been prepared for the company and its subsidiaries as the exemption in respect of a small group has been taken.

2 Operating profit

	2010 £	2009 £
This amount has been arrived at after charging		
Waiver of intercompany loan	1,371,038	-

The auditors' remuneration is borne by another group company.

GR (Greenock) Limited

Notes forming part of the financial statements
for the year ended 31 March 2010 (*continued*)

3 Interest payable and similar charges

	2010 £	2009 £
Interest payable on loans from group undertakings	<u>548,814</u>	<u>1,035,498</u>

4 Fixed asset investments

	Shares in group undertakings £
<i>Cost</i>	
At 1 April 2009 and 31 March 2010	<u>14,000,001</u>
<i>Net book value</i>	
At 31 March 2010	<u>14,000,001</u>
At 31 March 2009	<u>14,000,001</u>

The investment represents all of the ordinary shares of GR (Greenock) 1 Limited, an intermediate holding company which holds all of the ordinary shares of GR (Greenock) 2 Limited, a property investment company

The profit after tax and net assets of the subsidiaries are as follows

	2010 £	Profit after tax 2009 £	2010 £	Net assets 2009 £
Company name				
GR (Greenock) 1 Limited	-	-	14,000,001	14,000,001
GR (Greenock) 2 Limited	<u>764,491</u>	<u>1,094,718</u>	<u>18,787,154</u>	<u>24,932,875</u>

GR (Greenock) Limited

Notes forming part of the financial statements
for the year ended 31 March 2010 (*continued*)

5 Debtors

	2010 £	2009 £
Amounts owed from group undertakings	-	1,191,631

The amount owed from group undertakings is due from a subsidiary company GR (Greenock) 2 Limited. During the year this balance was waived and can be seen in the profit and loss account for the year ended 31 December 2009.

6 Creditors: amounts falling due within one year

	2010 £	2009 £
Amounts owed to group undertakings	18,842,613	18,293,799

The amount owed to group undertakings is owed to the parent company Greenock Retail Limited.

7 Share capital

	2010 £	Authorised 2009 £	Allotted, called up and fully paid 2010 £	2009 £
Ordinary shares of £1 each	2,000,000	2,000,000	1,250,002	1,250,002

8 Reserves

	Profit and loss account £
At 1 April 2009	(4,352,169)
Loss for the year	(1,740,445)
At 31 March 2010	(6,092,614)

9 Related party disclosure

The company owes £18,842,613 (2009 - £18,293,799) to its ultimate parent company Greenock Retail Limited. During the year the amount owed from its subsidiary company GR (Greenock) 2 Limited, £1,371,038 (2009 - £1,191,631) was waived which led to a charge to the profit and loss account.

GR (Greenock) Limited

Notes forming part of the financial statements
for the year ended 31 March 2010 *(continued)*

10 Ultimate parent company

The share capital of the company is owned by Greenock Retail Limited, a company registered in England which is controlled as a joint venture by Harris Ventures Limited and Ashflame Properties Limited, who each own one share of the issued share capital

11 Guarantees

The bank loan within Greenock Retail Limited, the ultimate parent company, is on normal commercial terms and is secured by way of a fixed charge over the assets of its subsidiaries, including GR (Greenock) Limited

12 Reconciliation of movement in shareholder's funds

	2010 £	2009 £
Loss for the financial year	(1,740,445)	(708,219)
Net reduction in shareholder's funds	(1,740,445)	(708,219)
Opening shareholder's funds	(3,102,167)	(2,393,948)
Closing shareholder's funds	(4,842,612)	(3,102,167)