

Stadium Retail Investments (2002) Limited

Report and Financial Statements

31 December 2009



Directors

E D Healey
P D Healey
M C Crooks
A S Fish
S Willox
P N Swales

Secretary

M C Crooks

Auditors

Ernst & Young LLP
1 Bridgewater Place
Water Lane
Leeds
LS11 5QR

Bankers

The Royal Bank of Scotland plc
Leeds Park Row Branch
27 Park Row
Leeds
LS1 5QB

Solicitors

Addleshaw Goddard
Sovereign House
Sovereign Street
Leeds
LS1 1HQ

Registered Office

Welton Grange
Welton
Brough
East Yorkshire
HU15 1NB

Directors' report

The directors present their report and financial statements for the year ended 31 December 2009

Results and dividends

The loss for the year after taxation amounted to £138,312 (2008 – profit of £1,158,130) The directors do not recommend a final dividend

Principal activity and business review

The principal activity of the company is that of property investment The directors are satisfied with the results for the year and the future prospects of the company

Directors

The directors who served during the year and subsequently were those listed below

E D Healey
P D Healey
M C Crooks
A S Fish
S Willox
P N Swales

Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware Having made enquiries of fellow directors and the company's auditor, the directors have taken all the steps that they are obliged to take as directors in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

Auditors

A resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting

On behalf of the Board



AS Fish
Director
27 September 2010

Statement of directors' responsibilities in respect of the financial statements

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). 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 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, and
- 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 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.

Independent auditors' report

to the members of Stadium Retail Investments (2002) Limited

We have audited the financial statements of Stadium Retail Investments (2002) Limited for the year ended 31 December 2009 which comprise the Profit and Loss Account, the Statement of Recognised Gains and Losses, the Balance Sheet, and the related notes 1 to 14. 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 Directors' Responsibilities Statement set out on page 3, 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 December 2009 and of its loss 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditors' report

to the members of Stadium Retail Investments (2002) Limited (continued)

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



Stuart Watson (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Leeds

29 September 2010

Profit and loss account

for the year ended 31 December 2009

	Notes	2009 £	2008 £
Turnover	2	–	–
Cost of sales		(4,222)	(1,392)
		<u>(4,222)</u>	<u>(1,392)</u>
Gross loss		(4,222)	(1,392)
Operating expenses		(133,836)	(94,512)
		<u>(138,058)</u>	<u>(95,904)</u>
Operating loss	3	(138,058)	(95,904)
Loss on sale of fixed assets		(676)	939,397
Interest receivable and similar income	4	422	314,637
		<u>(138,312)</u>	<u>1,158,130</u>
(Loss)/profit on ordinary activities before taxation		(138,312)	1,158,130
Tax on (loss)/profit on ordinary activities	5	–	–
		<u>(138,312)</u>	<u>1,158,130</u>
(Loss)/profit on ordinary activities after taxation		<u>(138,312)</u>	<u>1,158,130</u>

All results arose from continuing activities

Statement of total recognised gains and losses

for the year ended 31 December 2009

There are no recognised gains and losses other than the loss of £138,312 attributable to the shareholders for the year ended 31 December 2009 (2008 – profit of £1,158,130)

Balance sheet

at December 2009

	Notes	2009 £	2008 £
Fixed assets			
Investments	6	1	1
Current assets			
Debtors	7	4,891,364	4,974,693
Cash at bank and in hand		2,388	652
		4,893,752	4,975,345
Creditors amounts falling due within one year	8	(5,554)	(24,449)
Net current assets		4,888,198	4,950,896
Total assets less current liabilities		4,888,199	4,951,897
Creditors: amounts falling due after more than one year	9	(331,107)	(255,493)
		4,557,092	4,695,404
Capital and reserves			
Called up share capital	10	1,000	1,000
Profit and loss account	11	4,556,092	4,694,404
		4,557,092	4,695,404

The financial statements were approved for issue by the board of directors on 27 September 2010 and signed on its behalf by



AS Fish
Director

Notes to the financial statements

at December 2009

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the current and preceding years.

Basis of accounting

The financial statements are prepared under the historical cost convention.

The company is exempt from the requirement of FRS1 (revised) for preparing a cash flow statement as the company is a wholly owned subsidiary undertaking of Stadium Retail (Holdings) Limited and its cash flows are included within the consolidated cash flow statement of that company.

Taxation

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Investments

Investments are stated at cost less any provision for impairment.

2. Turnover

All of the company's turnover arose in the UK from the company's principal activity.

3. Operating loss

The audit fee of £2,000 (2008: £2,000) for the current year was borne by Stadium Retail (Holdings) Limited, the company's parent undertaking.

The company has no employees other than the directors. The directors received no remuneration for their services to the company during either the current or preceding year.

Notes to the financial statements

at December 2009

4. Interest receivable and similar income

	2009	2008
	£	£
Bank interest	27	238
Interest receivable from group companies	-	314,399
Other interest	395	-
	<u>422</u>	<u>314,637</u>

5. Tax

(a) Tax on (loss)/profit on ordinary activities

There is no current or deferred tax for the year ended 31 December 2009 (2008 – £ nil)

(b) Factors affecting the tax charge for the year

	2009	2008
	£	£
(Loss)/profit on ordinary activities before tax	(138,312)	1,158,130
Tax on 28% (2008 – 28.5%) thereon	<u>(38,727)</u>	<u>330,067</u>
<i>Effects of</i>		
Group relief received/(surrendered)	38,538	(62,339)
Capital gains	189	(267,728)
Current tax charge for year	<u>-</u>	<u>-</u>

(c) Factors that may affect future tax charges

There is a deferred tax asset of £601,021 (2008 – £662,226) in respect of tax losses which has not been recognised as there is insufficient evidence that the asset will be recovered in the foreseeable future

On 22 June 2010, the UK government announced proposals to reduce the main rate of corporation tax from 28% to 24% over 4 years with effect from 1 April 2011. As at 31 December 2009, the tax rate change was not substantially enacted.

In addition, changes to the capital allowances regime were proposed including a reduction in the rate of capital allowances on plant and machinery additions from 20% to 18% and a reduction in the rate of the special rate pool from 10% to 8% with effect from 1 April 2012. As at 31 December 2009, this proposal was not substantially enacted.

If these changes had been substantially enacted, there would be no material impact on the financial statements.

Notes to the financial statements

at December 2009

6. Investments

	£
Cost and net book value	
At 1 January 2009 and 31 December 2009	1

Investments represent shares in the ordinary share capital of Kingston Upon Hull Retail Park Limited, a subsidiary of Stadium Retail (Holdings) Limited

7. Debtors

	2009	2008
	£	£
<i>Amounts falling due within one year</i>		
Other debtors	-	21,939
Prepayments and accrued income	-	61,390
Amounts owed by group companies	4,891,364	4,891,364
	<u>4,891,364</u>	<u>4,974,693</u>

8. Creditors: amounts falling due within one year

	2009	2008
	£	£
Trade creditors	-	23,449
Other creditors	5,554	1,000
	<u>5,554</u>	<u>24,449</u>

9. Creditors: amounts falling due after more than one year

	2009	2008
	£	£
Amounts owed to group companies	331,107	255,493

10. Issued share capital

	2009	2008
	£	£
<i>Authorised</i>		
1,000 Ordinary share of £1 each	1,000	1,000
	<u>1,000</u>	<u>1,000</u>
	2009	2008
	£	£
<i>Allotted, called up and fully paid</i>		
1,000 ordinary shares of £1 each	1,000	1,000
	<u>1,000</u>	<u>1,000</u>

Notes to the financial statements

at December 2009

11. Reserves

	<i>Profit and loss account</i>
	<i>£</i>
At 1 January 2009	4,694,404
Loss for the year	(138,312)
At 31 December 2009	<u>4,556,092</u>

12. Reconciliation of movement in shareholders' funds

	<i>2009</i>	<i>2008</i>
	<i>£</i>	<i>£</i>
(Loss)/profit for the year	(138,312)	1,158,130
Opening shareholders' funds	4,695,404	3,537,274
Closing shareholders' funds	<u>4,557,092</u>	<u>4,695,404</u>

13. Related party transactions

The largest and smallest group in which the results of the company are consolidated is that headed by Stadium Retail (Holdings) Limited. The consolidated financial statements of Stadium Retail (Holdings) Limited are available to the public and may be obtained from the Company Secretary, Welton Grange, Welton, Brough, East Yorkshire, HU15 1NB.

As a subsidiary undertaking of Stadium Retail (Holdings) Limited, the company has taken advantage of the exemption in FRS8 "Related party disclosures" from disclosing transactions with other members of the group headed by Stadium Retail (Holdings) Limited.

14. Ultimate parent undertaking and controlling party

The company's ultimate parent undertaking and controlling party entity is Stadium Retail (Holdings) Limited, a company incorporated in Great Britain and registered in England and Wales. The company's immediate parent company is Stadium Retail Investments (2002 No. 2) Limited, a company incorporated in Great Britain.