

Stadium (Widnes) Limited

Report and Financial Statements

31 December 2012



Stadium (Widnes) Limited

Directors

E D Healey
P D Healey
A S Fish
P N Swales
A J Standish

Secretary

A S Fish

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

Registered No 05603111

Directors' report

The directors present their report and financial statements for the year ended 31 December 2012

Results and dividends

The loss for the year after taxation amounted to £1,904,042 (2011 – loss of £2,201,262) The directors do not recommend a final dividend (2011 – £nil)

Principal activity and review of the business

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

Directors

The directors who served the company during the year were as follows

E D Healey

P D Healey

M C Crooks (resigned 24 September 2012)

A S Fish

S Willox (resigned 24 September 2012)

P N Swales

A J Standish (appointed 24 September 2012)

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, each director has taken all the steps that he is obliged to take as a director in order to make himself 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



A S Fish
Director

26 September 2013

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 judgments 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 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.

Independent auditors' report

to the members of Stadium (Widnes) Limited

We have audited the financial statements of Stadium (Widnes) Limited for the year ended 31 December 2012 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes 1 to 12. 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 auditor

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 and express an opinion on 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 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. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the 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 2012 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.

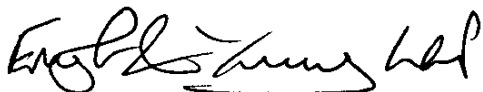
Independent auditors' report

to the members of Stadium (Widnes) Limited

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

26 September 2017

Profit and loss account

for the year ended 31 December 2012

	Notes	2012 £	2011 £
Turnover		504,816	304,382
Cost of sales		<u>(413,818)</u>	<u>(381,942)</u>
Gross profit		90,998	(77,560)
Operating expenses		<u>(629)</u>	<u>(45,204)</u>
Operating profit	2	90,369	(122,764)
Interest receivable and similar income		169	502
Interest payable and similar charges	3	<u>(1,994,580)</u>	<u>(2,079,000)</u>
Loss on ordinary activities before taxation		(1,904,042)	(2,201,262)
Tax	4	—	—
Loss for the financial year	9	<u>(1,904,042)</u>	<u>(2,201,262)</u>

All amounts relate to continuing activities

Statement of total recognised gains and losses

for the year ended 31 December 2012

	2012 £	2011 £
Loss for the financial year	(1,904,042)	(2,201,262)
Unrealised deficit on revaluation of investment properties	<u>(2,975,096)</u>	<u>(7,157,931)</u>
Total recognised losses relating to the year	<u>(4,879,138)</u>	<u>(9,359,193)</u>

Balance sheet

at 31 December 2012

	Notes	2012 £	2011 £
Fixed assets			
Tangible assets	5	47,490,000	49,500,000
Current assets			
Debtors amounts falling due within one year	6	3,404,381	3,308,991
Debtors amounts falling after more than one year	6	2,804,105	5,367,714
Cash at bank and in hand		1,656	344
		6,210,142	8,677,049
Creditors: amounts falling due within one year	7	(74,010,507)	(73,608,276)
Net current liabilities		(67,800,365)	(64,931,227)
Total assets less current liabilities		(20,310,365)	(15,431,227)
Capital and reserves			
Called up share capital	8	1	1
Revaluation reserve	9	(11,500,151)	(8,525,055)
Profit and loss account	9	(8,810,215)	(6,906,173)
Shareholders' funds	10	(20,310,365)	(15,431,227)

The financial statements were approved by the Board on 26 September and signed on its behalf by



A S Fish

Director

Notes to the financial statements

at 31 December 2012

1. Accounting policies

Basis of preparation

The financial statements are prepared under the historical cost convention, modified by revaluation of certain fixed assets, and in accordance with applicable United Kingdom accounting standards. Compliance with SSAP 19 "Accounting for Investment Properties" requires departure from the requirements of the Companies Act 2006 relating to depreciation and an explanation of the departure is given below.

Going concern

The financial statements have been prepared on the going concern basis because the parent undertaking has given the necessary assurances that sufficient resources will be made available so that the company can meet its liabilities as and when they fall due, for at least twelve months from the date of approval of these financial statements.

Statement of cash flows

The company is exempt from the requirement of FRS 1 (revised) for preparing a statement of cash flows as the company is a wholly owned subsidiary undertaking of SPH 2011 Limited and is included in the publicly available group financial statements of SPH 2011 Limited.

Tangible fixed assets

Investment properties are revalued annually. Surpluses or deficits on individual properties are transferred to the investment revaluation reserve. Where deficits are considered permanent, these are charged to the profit and loss account. Depreciation is not provided in respect of freehold investment properties, or of leasehold investment properties, where the unexpired term of the lease is more than 20 years. The directors consider that the accounting policy (which represents a departure from the statutory accounting rules) is necessary to provide a true and fair view as required under SSAP 19.

Deferred taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more, tax, with the following exceptions:

- Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, or gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.
- Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Turnover

Turnover comprises the value of rentals receivable by the company exclusive of VAT. Turnover is recognised on an accruals basis. All of the company's turnover arose in the United Kingdom from the company's principal activity.

Notes to the financial statements

at 31 December 2012

2. Operating profit

The audit fee for the year of £5,000 (2011 - £5,500) has been borne by SPH 2011 Limited, the ultimate parent undertaking. The company has no employees other than the directors. The directors received remuneration for the year of £69,170 (2011 - £47,425) in relation to qualifying services as director of this company, all of which was paid by CentrO Asset Management Limited, or Stadium Welton Limited, both of which are companies within the SPH 2011 Limited group.

3. Interest payable and similar charges

	2012 £	2011 £
Interest payable to group companies	1,994,580	2,079,000

4. Tax

(a) Tax on loss on ordinary activities

There is no current or deferred tax in the year ended 31 December 2012 (2011 - £nil)

(b) Factors affecting current tax credit for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK of 24.5% (2011 - 26.5%). The differences are explained below:

	2012 £	2011 £
Loss on ordinary activities before tax	(1,904,042)	(2,201,262)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 24.5% (2011 - 26.5%)	(466,490)	(583,334)
<i>Effects of</i>		
Expenses not deductible for tax purposes	606,304	670,017
Group relief received for nil payment	(139,814)	(86,682)
Current tax for the year (note 4(a))	-	-

(c) Deferred tax

There is a deferred tax asset of £19,252 (2011 - 98,389) comprising £8,135 for accelerated capital allowances and £11,117 for trading losses which has not been recognised as there is insufficient evidence that the asset will be recovered in the foreseeable future.

Notes to the financial statements

at 31 December 2012

4. Tax (continued)

(d) Factors that may affect future tax charges

Since the balance sheet date, the 2013 Budget announced a number of changes to the corporation tax rate. These included a reduction in the UK corporation tax rate to 21% effective from 1 April 2014 and a further reduction down to 20% effective from 1 April 2015.

These rate reductions have not yet been substantively enacted so deferred tax would therefore have been provided at 23%, which was the rate enacted by the Finance Act 2012.

These changes do not have a material effect on the financial statements.

5. Tangible fixed assets

	<i>Investment property £</i>
Cost and valuation	
At 1 January 2012	49,500,000
Additions	965,096
Revaluation	<u>(2,975,096)</u>
At 31 December 2012	<u>47,490,000</u>

The company's investment in the Windmill Shopping Centre, Widnes, was valued by the Directors at 31 December 2012 at £47,490,000 (2011 – £49,500,000) on an open market basis.

The historic cost of revalued investment properties at 31 December 2012 is £58,990,151 (2011 – £58,025,055).

6. Debtors

	<i>2012 £</i>	<i>2011 £</i>
<i>Amounts falling due within one year</i>		
Trade debtors	930,770	887,320
Prepayments and accrued income	<u>2,473,611</u>	<u>2,421,671</u>
	<u>3,404,381</u>	<u>3,308,991</u>
<i>Amounts falling due in more than one year</i>		
Prepayments and accrued income	<u>2,804,105</u>	<u>5,367,714</u>

Notes to the financial statements

at 31 December 2012

7. Creditors: amounts falling due within one year

	2012	2011
	£	£
Amounts owed to group companies	73,417,012	72,863,606
Accruals and deferred income	588,777	627,276
Other taxes and social security costs	4,718	117,394
	<u>74,010,507</u>	<u>73,608,276</u>

8. Issued share capital

	2012		2011	
<i>Allotted, called up and fully paid</i>	No	£	No	£
Ordinary shares of £1 each	1	<u>1</u>	1	<u>1</u>

9. Movements on reserves

	Revaluation reserve	Profit and loss account
	£	£
At 1 January 2012	(8,525,055)	(6,906,173)
Loss for the year	–	(1,904,042)
Revaluation of investment properties	(2,975,096)	–
At 31 December 2012	<u>(11,500,151)</u>	<u>(8,810,215)</u>

10. Reconciliation of shareholders' funds

	2012	2011
	£	£
Loss for the year	(1,904,042)	(2,201,262)
Revaluation of investment properties	(2,975,096)	(7,157,931)
Movement in shareholders' funds	(4,879,138)	(9,359,193)
Opening shareholders' funds	(15,431,227)	(6,072,034)
Closing shareholders' funds	<u>(20,310,365)</u>	<u>(15,431,227)</u>

Notes to the financial statements

at 31 December 2012

11. Related party transactions

As a subsidiary undertaking of SPH 2011 Limited, the company has taken advantage of the exemption in FRS 8 'Related party disclosures' from disclosing transactions with other members of the group headed by SPH 2011 Limited.

12. Ultimate parent undertaking and controlling party

The company's immediate parent undertaking is Stadium Parkgate (Holdings) Limited, a company incorporated in Great Britain and registered in England and Wales

The company's ultimate parent undertaking and controlling party is SPH 2011 Limited, a company incorporated in Great Britain and registered in England and Wales

The largest and smallest group in which the results of the company are consolidated is that headed by SPH 2011 Limited. The group financial statements of SPH 2011 Limited are available to the public and may be obtained from the Company Secretary, Welton Grange, Welton, Brough, East Yorkshire, HU15 1NB