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Stadium (Widnes) Limited

Report and Financial Statements

31 December 2009

THURSDAY



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30/09/2010

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COMPANIES HOUSE

Directors

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

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 annual report and the audited financial statements for the year ended 31 December 2009

Results and dividends

The profit for the year after taxation amounted to £33,979 (2008 – profit of £34,469) The directors do not recommend the payment of a dividend

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 during the year and subsequently are shown 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 (Widnes) Limited

We have audited the financial statements of Stadium (Widnes) Limited for the year ended 31 December 2009 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 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 profit 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.

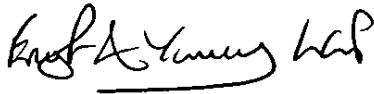
Independent auditors' report

to the members of Stadium (Widnes) Limited (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		483,951	580,142
Cost of sales		(57,728)	(136,697)
Gross profit		426,223	443,445
Operating expenses		(34,340)	(2,606)
Operating profit	2	391,883	440,839
Interest receivable and similar income		7,496	1,618
Interest payable and similar charges	3	(365,400)	(407,988)
Profit on ordinary activities before taxation		33,979	34,469
Tax on profit on ordinary activities	4	—	—
Profit for the year	9	33,979	34,469

All results arose from continuing activities

Statement of total recognised gains and losses

for the year ended 31 December 2009

	2009 £	2008 £
Profit for the year	33,979	34,469
Unrealised gain/(deficit) on revaluation of investment properties	3,230,648	(32,652,646)
Total recognised gains and losses relating to the year	3,263,627	(32,618,177)

Balance sheet

at 31 December 2009

	Notes	2009 £	2008 £
Fixed assets			
Tangible assets	5	25,170,000	8,700,000
Current assets			
Debtors amounts falling due in less than one year	6	1,764,082	460,737
Debtors amounts falling after more than one year	6	4,829,725	2,815,542
Cash at bank and in hand		2,050	1,118
		6,595,857	3,277,397
Creditors, amounts falling due within one year	7	(64,274,528)	(47,750,695)
Net current liabilities		(57,678,671)	(44,473,298)
		(32,508,671)	(35,773,298)
Capital and reserves			
Share capital	8	1	1
Revaluation reserve	9	(29,339,079)	(32,569,727)
Profit and loss account	9	(3,169,593)	(3,203,572)
		(32,508,671)	(35,773,298)

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 31 December 2009

1. Accounting policies

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

Basis of preparation

The financial statements are prepared under the historical cost convention, modified by revaluation of certain 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.

The company is exempt from the requirement of FRS1 (revised) for preparing a cash flow statement as the company meets the criteria for qualifying as a small company.

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.

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.

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.

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 2009

2. Operating profit

The audit fee for the year has been borne by Stadium Parkgate (Holdings) Limited, the company's parent undertaking. The audit fee apportioned to this company in the year is £3,000 (2008 – £3,000).

The company has no employees other than the directors. The directors received no remuneration in respect of their services to the company during the year.

3. Interest payable and similar charges

	2009 £	2008 £
Interest payable to group companies	365,400	407,988

4. Tax

(a) Tax on profit on ordinary activities

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

(b) Factors affecting the current tax for the year

The differences between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax are as follows:

	2009 £	2008 £
Profit on ordinary activities before taxation	33,979	34,469
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2008 – 28.5%)	9,514	9,824
<i>Effects of</i>		
Expenses not deductible for tax purposes	7,491	–
Group relief received for nil payment	(17,005)	(9,824)
Current tax for year	–	–

(c) Factors which may affect future tax charges

There is a deferred tax asset of £5,072 (2008 – £nil) 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 31 December 2009

5. Tangible fixed assets

	<i>Investment property £</i>
Cost or valuation	
At 1 January 2009	8,700,000
Additions	13,239,352
Revaluation	3,230,648
At 31 December 2009	<u>25,170,000</u>

The company's investment in the Windmill Shopping Centre, Widnes, was valued by the Directors at 31 December 2009 at £25,170,000 (2008 – £8,700,000) on an open market basis

The historic cost of revalued investment properties at 31 December 2009 is £54,509,079 (2008 – £41,269,727)

6. Debtors

	<i>2009 £</i>	<i>2008 £</i>
<i>Amounts falling due in less than one year</i>		
Other debtors	1,059,115	402,865
Prepayments and accrued income	704,967	57,872
	<u>1,764,082</u>	<u>460,737</u>
<i>Amounts falling due in more than one year</i>		
Prepayments and accrued income	4,829,725	2,815,542
	<u>4,829,725</u>	<u>2,815,542</u>

7 Creditors: amounts falling due within one year

	<i>2009 £</i>	<i>2008 £</i>
Amounts owed to group companies	64,086,526	47,595,084
Accruals and deferred income	188,002	155,611
	<u>64,274,528</u>	<u>47,750,695</u>

8. Issued share capital

			2009	2009
<i>Authorised</i>			£	£
Ordinary shares of £1 each			1,000	1,000
			<u> </u>	<u> </u>
	2009	2008	2009	2009
<i>Allotted, called up and fully paid</i>	<i>No</i>	<i>No</i>	£	£
Ordinary shares of £1 each	1	1	1	1

Notes to the financial statements

at 31 December 2009

9. Reserves

	<i>Revaluation reserve £</i>	<i>Profit and loss account £</i>
At 1 January 2009	(32,569,727)	(3,203,572)
Profit for the year	–	33,979
Revaluation of investment properties	3,230,648	–
At 31 December 2009	<u>(29,339,079)</u>	<u>(3,169,593)</u>

10. Reconciliation of movement in shareholders' deficit

	<i>2009 £</i>	<i>2008 £</i>
Profit for the year	33,979	34,469
Revaluation of investment properties	3,230,648	(32,652,646)
Increase/(decrease) in shareholders' funds	<u>3,264,627</u>	<u>(32,618,177)</u>
Opening shareholders' deficit	(35,773,298)	(3,155,121)
Closing shareholders' deficit	<u>(32,508,671)</u>	<u>(35,773,298)</u>

11. Related party transactions

The largest and smallest group in which the results of the company are consolidated is that headed by Stadium Parkgate (Holdings) Limited. The consolidated financial statements of Stadium Parkgate (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 Parkgate (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 Parkgate (Holdings) Limited.

12. Ultimate parent undertaking and controlling party

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