

Riverside Acquisitions Limited
Annual report and financial statements
for the year ended 31 March 2010

Registered number 06318542



Riverside Acquisitions Limited

Annual report and financial statements

for the year ended 31 March 2010

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Directors' report for the year ended 31 March 2010

The directors present their report and the audited financial statements of the company for the year ended 31 March 2010

Principal activities

The principal activity of the company is the managing and monitoring of the activities of 4Projects Holdings Limited and its subsidiaries

Review of business, future developments and going concern

Both the level of the business and the year end financial position were in line with expectations and the directors view the future with cautious optimism

The financial statements have been prepared on a going concern basis which assumes that the company will continue in operational existence for the foreseeable future. Due to the nature of the business there are few day to day working capital requirements to meet other than the servicing of the financing facilities. 4Projects Ltd, a fellow group company, and a 100% owned subsidiary undertaking of 4Projects Holdings Limited has committed to ensuring that the financing facilities continue to be serviced for a period of twelve months after these financial statements are signed. The directors' therefore consider the going concern assumption to be appropriate.

Directors

The directors who held office during the year and up to the date of signing the financial statements are given below

F R Davidson	resigned 31 March 2010
S P Edwards	appointed 31 March 2010
I D Grant	
S Nelson	
R A Vertigan	

Statement of 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 prepared 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 accounting estimates that are reasonable and prudent,

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

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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

Disclosure of information to auditors

So far as each director is aware, there is no relevant audit information of which the company's auditors are unaware. Relevant information is defined as "information needed by the company's auditors in connection with preparing their report"

Each director has taken all the steps (such as making enquiries of other directors and the auditors and any other steps required by the director's duty to exercise due care, skill and diligence) that he ought to have taken in his duty as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006

On behalf of the board



R A Vertigan

Director

21 December 2010

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Independent auditors' report to the members of Riverside Acquisitions Limited

We have audited the financial statements of Riverside Acquisitions Limited for the year ended 31 March 2010 which comprise the profit and loss account, the balance sheet, the statement of accounting policies 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).

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 Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 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 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.

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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 directors' report in accordance with the small company regime



Richard Bunter (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Newcastle upon Tyne
21 December 2010

Riverside Acquisitions Limited

Profit and loss account for the year ended 31 March 2010

	Note	2010 £	2009 £
Administrative expenses		(162,231)	(143,510)
Operating loss	1	(162,231)	(143,510)
Interest payable and similar charges	2	(1,608,006)	(2,094,922)
Income from shares in group undertakings	4	1,950,000	1,300,000
Profit/(loss) on ordinary activities before taxation		179,763	(938,432)
Tax on profit/(loss) on ordinary activities	5	-	-
Profit/(loss) for the financial year	12	179,763	(938,432)

All amounts relate to continuing activities

The company has no gains and losses other than the profit/(loss) above and therefore no separate statement of total recognised gains and losses has been presented

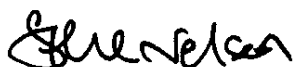
There is no difference between the profit/(loss) on ordinary activities before taxation and the profit/(loss) for the financial period stated above and their historic cost equivalents

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Balance sheet as at 31 March 2010

	Note	2010 £	2010 £	2009 £	2009 £
Fixed assets					
Investments	6		21,577,168		21,577,168
Current assets					
Debtors	7	4,772		11,751	
Cash at bank and in hand		2,890		37,661	
		7,662		49,412	
Creditors: amounts falling due within one year	8	(1,416,832)		(912,309)	
Net current liabilities			(1,409,170)		(862,897)
Total assets less current liabilities			20,167,998		20,714,271
Creditors' amounts falling due after more than one year	9		(20,972,357)		(21,698,393)
Net liabilities			(804,359)		(984,122)
Capital and reserves					
Called up share capital	11		950,000		950,000
Profit and loss account	12		(1,754,359)		(1,934,122)
Total shareholders' deficit	13		(804,359)		(984,122)

The financial statements on pages 5 to 14 were approved by the board of directors on 21 December 2010 and were signed on its behalf by



S Nelson
Director
 Riverside Acquisitions Limited
 Registered number 06318542

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Statement of accounting policies

Accounting convention

These financial statements are prepared on a going concern basis under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

Going concern

The financial statements have been prepared on a going concern basis which assumes that the company will continue in operational existence for the foreseeable future. Due to the nature of the business there are no day to day working capital requirements to meet other than the servicing of the financing facilities. 4Projects Ltd, a fellow group company, and a 100% owned subsidiary undertaking of 4Projects Holdings Limited has committed to ensuring that the financing facilities continue to be serviced for a period of twelve months after these financial statements are signed. The directors therefore consider the going concern assumption to be appropriate.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions 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. An asset is not recognised to the extent that the transfer of economic benefits in the future is uncertain. Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been substantively enacted by the balance sheet date. Deferred tax assets and liabilities which have been recognised have not been discounted.

Consolidation

The company has taken advantage of the exemption in section 398 of the Companies Act 2006 from the requirement to prepare consolidated financial statements, on the grounds that it is a small group.

Investments

Investments in subsidiaries are included in the financial statements at cost plus incidental expenses less any provision for impairment. Impairment reviews are performed by the directors when there has been an indication of impairment.

Cash flow statement

The company has taken advantage of the exemption in FRS 1 "Cash flow statements (revised 1996)" from the requirement to present a cash flow statement based on the grounds that it is a small company.

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Notes to the financial statements for the year ended 31 March 2010

1 Operating loss

	2010	2009
	£	£
Operating loss is stated after charging		
Auditors' remuneration	4,450	4,300

2 Interest payable and similar charges

	2010	2009
	£	£
Bank loan interest	539,567	1,026,483
Loan note interest	1,068,439	1,068,439
	1,608,006	2,094,922

3 Directors and employees

There were no employees other than the directors (2009 none) One director received remuneration of £60,000 during the year (2009 £60,000) The remaining directors did not receive any remuneration from the company during the year (2009 £nil)

4 Income from shares in group undertakings

	2010	2009
	£	£
Dividends received from 4Projects Holdings Limited	1,950,000	1,300,000

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5 Tax on profit/(loss) on ordinary activities

(a) Analysis of tax charge in the year:

	2010	2009
	£	£
Current tax:		
UK corporation tax on loss of the year	-	-
Total current tax charge	-	-
Deferred tax		
Total deferred tax	-	-
Tax on profit/(loss) on ordinary activities	-	-

(b) Factors affecting tax charge for the year:

	2010	2009
	£	£
Profit/(loss) on ordinary activities before taxation	179,763	(938,433)
Profit/(loss) on ordinary activities at the standard rate of corporation tax in the UK of 28% (2009 28%)	50,334	(262,761)
(Income not taxable)/expenses not deductible for tax purposes	(415,808)	(273,101)
Timing differences	11,088	102,095
Group relief surrendered not paid	354,386	433,767
Current tax charge for the year	-	-

(c) Factors that may affect future tax charges

A number of changes to the UK Corporation tax system were announced in the June 2010 Budget Statement The Finance (No 2) Act 2010, which was substantively enacted on 20 July 2010, includes legislation reducing the main rate of corporation tax from 28 per cent to 27 per cent from 1 April 2011. Further reductions to the main rate are proposed to reduce the rate by 1 per cent per annum to 24 per cent by 1 April 2014. The changes had not been substantively enacted at the balance sheet date and, therefore, are not included in these financial statements.

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6 Fixed asset investments

The company holds the following wholly owned investments at cost

	Group companies £
Cost and net book value	
At 1 April 2009 and at 31 March 2010	21,577,168

The company has the following subsidiaries

Name	% ownership of ordinary shares	Country of incorporation	Principal activity
4Projects Holdings Limited	100	England and Wales	Holding company

The directors believe that the book value of the investment is supported by their underlying net assets

7 Debtors

	2010 £	2009 £
Prepayments	4,772	11,751

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8 Creditors: amounts falling due within one year

	2010	2009
	£	£
Bank loans (note 9)	1,110,000	581,935
Trade creditors	67,001	31,588
Amounts owed to group companies	170,768	191,845
Other taxation	17,550	20,935
Accruals	51,513	86,006
	1,416,832	912,309

9 Creditors: amounts falling due after more than one year

	2010	2009
	£	£
Bank loans	7,422,209	9,216,684
Loan notes	10,684,390	10,684,390
Accrued loan note interest	2,865,758	1,797,319
	20,972,357	21,698,393

Bank loans are repayable in instalments up to 31 July 2012 and carry interest at LIBOR plus various margins payable on a quarterly or bi-annual basis. The bank loans are secured against the assets of all group companies (Riverside Topco Limited, Riverside Acquisitions Limited, 4Projects Holdings Limited, 4Projects Management Limited, 4Retail Limited and 4Projects Ltd)

Loan notes are unsecured and repayable (including accrued interest) at the company's voluntary discretion or upon the flotation or sale of the company. The loan notes carry interest at a rate of 10% per annum which is accrued, under the terms of the agreement, on a biannual basis.

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(a) Maturity of debt

	2010	2009
	£	£
In one year or less, or on demand	1,110,000	581,935
In more than one year, but not more than two years	1,260,000	839,745
In more than two years, but not more than five years	6,162,209	2,708,720
In more than five years	13,550,148	18,149,928
	22,082,357	22,280,328

10 Deferred taxation

The assets not recognised are set out below

	2010	2009
	Unprovided	Unprovided
	£	£
Available tax losses	(113,523)	(190,401)

The directors consider that it is unlikely that there will be sufficient taxable profits in the future such as to realise the deferred tax asset, and therefore the asset has not been recognised in these financial statements

11 Called up share capital

	2010	2009
	£	£
Authorised		
1,000,000 ordinary shares of £1 each	1,000,000	1,000,000
Allotted and fully paid		
950,000 ordinary shares of £1 each	950,000	950,000

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12 Reserves

	Profit and loss account £
At 1 April 2009	(1,934,122)
Profit for the financial year	179,763
At 31 March 2010	(1,754,359)

13 Reconciliation of movements in shareholders' deficit

	2010 £	2009 £
Profit/(loss) for the financial year	179,763	(938,432)
Opening shareholders' deficit	(984,122)	(45,690)
Closing shareholders' deficit	(804,359)	(984,122)

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14 Related party transactions

As at 31 March 2010 the company owed £170,768 (2009 £191,845) to 4Projects Ltd a wholly owned subsidiary of 4Projects Holdings Limited

Auditors' remuneration of £1,800 (2009 £1,800) was borne on behalf of Riverside Topco Limited

August Equity Partners IIA, a shareholder in the ultimate parent company, holds £9,433,014 (2009 £8,689,214) of the issued loan notes including accrued interest of £1,995,014 (2009 £1,251,214)

R A Vertigan, a director of the company and a shareholder in the ultimate parent company, holds £1,623,520 (2009 £1,495,504) of the issued loan notes including accrued interest of £343,363 (2009 £215,347)

S Nelson, a director of the company and a shareholder in the ultimate parent company, holds £1,040,352 (2009 £958,319) of the issued loan notes including accrued interest of £220,027 (2009 £137,994)

J B Callaghan, a former shareholder in the ultimate parent company, holds £1,040,352 (2009 £958,319) of the issued loan notes including accrued interest of £220,027 (2009 £137,994)

D Mactear, a shareholder in the ultimate parent company, holds £367,998 (2009 £338,981) of the issued loan notes including accrued interest of £77,829 (2009 £48,812)

R Harrison, a shareholder in the ultimate parent company, holds £22,456 (2009 £20,686) of the issued loan notes including accrued interest of £4,749 (2009 £2,979)

P Shepherd, a shareholder in the ultimate parent company, holds £22,456 (2009 £20,686) of the issued loan notes including accrued interest of £4,749 (2009 £2,979)

15 Ultimate controlling party

At 31 March 2010, the company's ultimate parent company was Riverside Topco Limited

In the opinion of the directors there is no ultimate controlling party of the company as no individual has control of more than 50% of the share capital of Riverside Topco Limited