

Company Registration Number 04311137

Pathway One plc
Financial Statements
Year Ended
31st December 2009

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Pathway One plc
Financial Statements
Year Ended 31st December 2009

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Pathway One plc
Officers and Professional Advisers

The Board of Directors

Mr R Darvill
Mr D J P Oakley

Registered Office

2nd Floor
5-11 Worship Street
London
EC2A 2BH

Auditor

Nigel Wilson & Co
Accountants
& Statutory Auditor
Third Floor
111 Charterhouse Street
London
EC1M 6AW

Bankers

Barclays Bank Plc
Hanover Square
PO BOX 16163H
50 Pall Mall
London
SW1Y 2AX

Pathway One plc
The Directors' Report
Year Ended 31st December 2009

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

Principal Activities and Business Review

The principal activity of the company during the year was that of an investment company

The company has not been trading for some time and has no prospect of trading as originally intended. Accordingly, the company is currently seeking investment opportunities.

The company delisted from Plus Markets during the year and listed its shares on JP Jenkins, a matched bargain platform.

Results and Dividends

The loss for the year amounted to £54,029. The directors have not recommended a dividend.

Financial Instruments

The company monitors all cash, debtors and creditors on an ongoing basis to ensure that it has sufficient cash flows and funds for its working capital requirements. There are currently no interest rate risks, exchange risks or price risks.

Financial Key Performance Indicators

The company monitors various financial key performance indicators as part of its accounting and management reporting process. In view of the fact that the company has had little trading and investing it has no key financial performance indicators against which to measure its performance.

Non-Financial Key Performance Indicators

The company seeks to ensure that responsible business practice is fully integrated into the management of all its operations and into the culture of all its business. It believes that the consistent adoption of responsible business practice is essential for operational excellence, which in turn is expected to ensure the delivery of its core objectives of sustained real growth in future profitability.

In a company of this size, the directors consider there are a small number of non-financial performance indicators, none of these are key.

Directors

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

Mr R Darvill
Mr D J P Oakley

In accordance with the Articles of Association Mr R Darvill will retire and being eligible offer himself for re-election at the forthcoming Annual General Meeting.

Mr D J P Oakley will retire and not seek to be reappointed at the forthcoming Annual General Meeting.

Policy on the Payment of Creditors

Whilst the company does not follow any code or standard on payment practice, it was the company's policy for the year ended 31st December 2009 to pay suppliers for liabilities incurred in accordance with the terms of payment agreed with each individual supplier. When disputes arise attempts are made to resolve them promptly and amicably to ensure delays in payment are kept to a minimum.

Pathway One plc
The Directors' Report (*continued*)
Year Ended 31st December 2009

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 (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 those 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,
- 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.

In so far as the directors are aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

Auditor

Nigel Wilson & Co are deemed to be re-appointed under section 487(2) of the Companies Act 2006

Signed on behalf of the directors



Mr R Darvill
Director

Approved by the directors on 29th June 2010

Pathway One plc
Independent Auditor's Report to the Shareholders of
Pathway One plc

Year Ended 31st December 2009

We have audited the financial statements of Pathway One plc for the year ended 31st December 2009 which comprise the Profit and Loss Account, Statement of Total Recognised Gains and Losses, Reconciliation of Shareholders' Funds, Balance Sheet, Cash Flow Statement 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 shareholders, as a body, in accordance with Chapter 3 of Section 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's shareholders 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 shareholders 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 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

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/UKNP.

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 31st 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.

Emphasis of matter - Going concern

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosures made in note 1 to the financial statements concerning the company's ability to continue trading as a going concern. The financial statements do not include adjustments that would result if the company was unable to continue as a going concern.

Opinion on Other Matters 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.

Pathway One plc

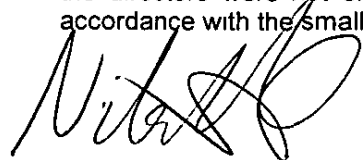
**Independent Auditor's Report to the Shareholders of
Pathway One plc (continued)**

Year Ended 31st December 2009

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



NILESH PATEL (Senior Statutory Auditor)
For and on behalf of
NIGEL WILSON & CO
Accountants & Statutory Auditor

Third Floor
111 Charterhouse Street
London
EC1M 6AW

29th June 2010

Pathway One plc
Profit and Loss Account
Year Ended 31st December 2009

	Note	2009 £	2008 £
Turnover		—	—
Administrative expenses		<u>54,026</u>	<u>53,463</u>
Operating Loss	2	(54,026)	(53,463)
Interest payable and similar charges	5	3	906
Loss on Ordinary Activities Before Taxation		<u>(54,029)</u>	<u>(54,369)</u>
Tax on loss on ordinary activities	6	—	—
Loss for the Financial Year		<u>(54,029)</u>	<u>(54,369)</u>
Balance brought forward		<u>(1,684,821)</u>	<u>(1,630,452)</u>
Balance carried forward		<u>(1,738,850)</u>	<u>(1,684,821)</u>

All of the activities of the company are classed as continuing

The notes on pages 10 to 15 form part of these financial statements

Pathway One plc
Reconciliation of Movements in Shareholders' Funds
Year Ended 31st December 2009

	2009 £	2008 £
Loss for the financial year	(54,029)	(54,369)
New ordinary share capital subscribed	<u>—</u>	<u>40,000</u>
Net reduction to shareholders' deficit	(54,029)	(14,369)
Opening shareholders' deficit	<u>(42,809)</u>	<u>(28,440)</u>
Closing shareholders' deficit	<u>(96,838)</u>	<u>(42,809)</u>

The notes on pages 10 to 15 form part of these financial statements

Pathway One plc
Balance Sheet
31st December 2009

	Note	2009 £	£	2008 £	£
Fixed Assets					
Investments	7		8,000		—
Current Assets					
Debtors	8	230		—	
Cash at bank		306		—	
		<u>536</u>		<u>—</u>	
Creditors: Amounts Falling due Within One Year	9	<u>105,374</u>		<u>42,809</u>	
Net Current Liabilities			<u>(104,838)</u>		<u>(42,809)</u>
Total Assets Less Current Liabilities			<u>(96,838)</u>		<u>(42,809)</u>
Capital and Reserves					
Called-up equity share capital	11		327,000		327,000
Share premium account	12		1,315,012		1,315,012
Profit and loss account			<u>(1,738,850)</u>		<u>(1,684,821)</u>
Deficit			<u>(96,838)</u>		<u>(42,809)</u>

These financial statements were approved by the directors and authorised for issue on 29th June 2010, and are signed on their behalf by


Mr R Daryill
 Director

Company Registration Number 04311137

The notes on pages 10 to 15 form part of these financial statements

Pathway One plc
Cash Flow Statement
Year Ended 31st December 2009

	Note	2009 £	£	2008 £	£
Net Cash Inflow/(Outflow) from Operating Activities	13		8,309		(38,852)
Returns on Investments and Servicing of Finance	13		(3)		(906)
Capital Expenditure and Financial Investment	13		(8,000)		—
Cash Inflow/(Outflow) Before Financing			306		(39,758)
Financing	13		—		40,000
Increase in Cash	13		306		242

The notes on pages 10 to 15 form part of these financial statements.

Pathway One plc
Notes to the Financial Statements
Year Ended 31st December 2009

1. Accounting Policies

Basis of Accounting

The financial statements have been prepared under the historical cost convention

Going Concern

The profit and loss account for the year shows a loss of £54,029 and the balance sheet shows a deficit of shareholders funds of £96,838. The company has little cash at bank and no overdraft facilities.

Rivington Street Holdings plc have confirmed that they will not call for repayment of the amounts due to them until such time as the company has sufficient working capital.

The directors remain confident that it remains appropriate to prepare the accounts on a going concern basis. If the continuing support of the directors and related parties is not forthcoming then it would not be appropriate to prepare the accounts on this basis.

Fixed Asset Investments

Fixed asset investments are stated at cost less provision for impairment in value.

2. Operating Loss

Operating loss is stated after charging

	2009 £	2008 £
Auditor's remuneration	<u>2,500</u>	<u>2,000</u>
	2009 £	2008 £
Auditor's remuneration - audit of the financial statements	<u>2,500</u>	<u>2,000</u>

Pathway One plc
Notes to the Financial Statements
Year Ended 31st December 2009

3 Particulars of Employees

The average number of staff employed by the company during the financial year amounted to

	2009 No	2008 No
Number of management staff	<u>1</u>	<u>2</u>

The aggregate payroll costs of the above were

	2009 £	2008 £
Wages and salaries	–	19,000
Social security costs	–	–
	<u>–</u>	<u>19,000</u>

4. Directors' Remuneration

The directors' aggregate remuneration in respect of qualifying services were

	2009 £	2008 £
Remuneration receivable	<u>–</u>	<u>19,000</u>

5. Interest Payable and Similar Charges

	2009 £	2008 £
Interest payable on bank borrowing	3	–
Other similar charges payable	–	906
	<u>3</u>	<u>906</u>

Pathway One plc
Notes to the Financial Statements
Year Ended 31st December 2009

6 Taxation on Ordinary Activities

Factors affecting current tax charge

The tax assessed on the loss on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 21% (2008 - 20%)

	2009 £	2008 £
Loss on ordinary activities before taxation	<u>(54,029)</u>	<u>(54,369)</u>
Loss on ordinary activities by rate of tax	(11,346)	(10,874)
Expenses not deductible for tax purposes	756	-
Unrelieved tax losses	<u>10,590</u>	<u>10,874</u>
Total current tax	<u>-</u>	<u>-</u>

Factors that may affect future tax charges

The company is currently an investment company and has tax losses available which may be utilised against future management expenses

7. Investments

	Fixed asset available-for- sale investments £
Cost/fair value	
Additions - group shares	8,000
Balance carried forward	<u>8,000</u>
Net book value	
Balance carried forward	<u>8,000</u>
Balance brought forward	<u>-</u>

The investments represent shares in an unlisted company

8. Debtors

	2009 £	2008 £
VAT recoverable	<u>230</u>	<u>-</u>

Pathway One plc
Notes to the Financial Statements
Year Ended 31st December 2009

9. Creditors: Amounts Falling due Within One Year

	2009 £	2008 £
Trade creditors	44,944	23,047
Amounts owed to group undertakings	42,209	2,000
Other creditors including taxation		
VAT	—	1,276
Other creditors	10,500	5,000
	<u>97,653</u>	<u>31,323</u>
Accruals and deferred income	7,721	11,486
	<u>105,374</u>	<u>42,809</u>

10. Related Party Transactions

Balances

Creditors include the following -

A trade creditor balance of £35,938 due to Rivington Street Holdings plc, the ultimate holding company

A balance of £15,069 (2008 £nil) due to Rivington Street Holdings plc, the ultimate holding company

A balance of £15,846 (2008 £2,000) due to Rivington Street Media Limited, a fellow subsidiary company

A balance of £11,293 (2008 £nil) due to t1ps com Limited, a fellow subsidiary company

Transactions in the year

Management fees of £31,250 (2008 £nil) were paid to Rivington Street Holdings plc, the ultimate holding company

Controlling party

In the opinion of the directors there is no ultimate controlling party

11. Share Capital

Allotted, called up and fully paid

	2009 No	£	2008 No	£
24,540,000 Ordinary shares shares of £0.01 each	24,540,000	245,400	24,540,000	245,400
8,160,000 Deferred shares shares of £0.01 each	8,160,000	81,600	8,160,000	81,600
	<u>32,700,000</u>	<u>327,000</u>	<u>32,700,000</u>	<u>327,000</u>

Pathway One plc
Notes to the Financial Statements
Year Ended 31st December 2009

11. Share Capital (continued)

Rights of Deferred Shares

The Deferred shares of 1p each rank pari passu in all respects with the Ordinary shares of 1p each save that

1)The Deferred shares of 1p each carry the right to repayment of 1p each on winding up or repayment of capital of the company after repayment of £1,000,000 on each of the Ordinary shares of 1p in issue in the capital of the company and after payment of the amount due on other classes of shares of the company

2)The Deferred shares carry no other right to participate in the capital or income of the company and carry no right to vote

12. Share Premium Account

There was no movement on the share premium account during the financial year

13. Notes to the Cash Flow Statement

**Reconciliation of Operating Loss to Net Cash Inflow/(Outflow)
From Operating Activities**

	2009 £	2008 £
Operating loss	(54,026)	(53,463)
(Increase)/decrease in debtors	(230)	12,698
Increase in creditors	62,565	1,913
Net cash inflow/(outflow) from operating activities	<u>8,309</u>	<u>(38,852)</u>

Returns on Investments and Servicing of Finance

	2009 £	2008 £
Interest paid	(3)	(906)
Net cash outflow from returns on investments and servicing of finance	<u>(3)</u>	<u>(906)</u>

Capital Expenditure

	2009 £	2008 £
Acquisition of fixed asset investments	(8,000)	—
Net cash outflow from capital expenditure	<u>(8,000)</u>	<u>—</u>

Pathway One plc
Notes to the Financial Statements
Year Ended 31st December 2009

13 Notes to the Cash Flow Statement (continued)

Financing

	2009 £	2008 £
Issue of equity share capital	—	40,000
Net cash inflow from financing	<u>—</u>	<u>40,000</u>

Reconciliation of Net Cash Flow to Movement in Net Funds

	2009 £	2008 £
Increase in cash in the period	306	242
Movement in net funds in the period	<u>306</u>	<u>242</u>
Net funds at 1 January 2009	—	(242)
Net funds at 31 December 2009	<u>306</u>	<u>—</u>

Analysis of Changes in Net Funds

	At 1 Jan 2009 £	Cash flows £	At 31 Dec 2009 £
Net cash			
Cash in hand and at bank	—	306	306
Net funds	<u>—</u>	<u>306</u>	<u>306</u>

14 Ultimate Parent Company

The company's ultimate holding company is Rivington Street Holdings plc

The consolidated accounts of Rivington Street Holdings plc represent the accounts of the smallest and largest group for which consolidated accounts are prepared. These accounts are available from Companies House.