

Company Registration No 04311137 (England and Wales)

**PATHWAY ONE PLC**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2010**

THURSDAY



\*AYN71VFD\*

A55

30/06/2011

329

COMPANIES HOUSE

# PATHWAY ONE PLC

## COMPANY INFORMATION

---

<b>Directors</b>	Mr R Darvill Mr P E Rewrie (Appointed 15 September 2010)
<b>Company number</b>	04311137
<b>Registered office</b>	3rd Floor 3 London Walls Buildings London EC2M 5SY
<b>Auditors</b>	Welbeck Associates 31 Harley Street London W1G 9QS

---

---

# PATHWAY ONE PLC

## CONTENTS

---

	<b>Page</b>
Directors' report	1 - 2
Independent auditors' report	3 - 4
Profit and loss account	5
Balance sheet	6
Cash flow statement	7
Notes to the cash flow statement	8
Notes to the financial statements	9 - 14

---

# **PATHWAY ONE PLC**

## **DIRECTORS' REPORT**

***FOR THE YEAR ENDED 31 DECEMBER 2010***

---

The directors present their report and financial statements for the year ended 31 December 2010

### **Principal activities and review of the business**

The principal activity of the company continued to be that of an investment company

### **Results and dividends**

The results for the year are set out on page 5

### **Directors**

The following directors have held office since 1 January 2010

Mr R Darvill

Mr P E Rewrie

(Appointed 15 September 2010)

### **Creditor payment policy**

The company's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU)

### **Auditors**

Welbeck Associates were appointed auditors to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting

### **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 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 accounting 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,
- 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

# **PATHWAY ONE PLC**

## **DIRECTORS' REPORT (CONTINUED)**

### ***FOR THE YEAR ENDED 31 DECEMBER 2010***

#### **Statement of disclosure to auditors**

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board

A handwritten signature in black ink, appearing to be 'R. Darvill', written over a horizontal line.

Mr R. Darvill  
**Director**

# **PATHWAY ONE PLC**

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF PATHWAY ONE PLC**

---

We have audited the financial statements of Pathway One Plc for the year ended 31 December 2010 set out on pages 5 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 auditors' 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 pages 1 - 2, 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.

#### **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 2010 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, we have considered the adequacy of the disclosures made in note 1 of the financial statements concerning the uncertainty as to the continuing support of the ultimate holding company. In view of the significance of this uncertainty we consider that it should be drawn to your attention but our opinion is not qualified in this respect.

#### **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.

# PATHWAY ONE PLC

## INDEPENDENT AUDITORS' REPORT (CONTINUED)

### TO THE MEMBERS OF PATHWAY ONE PLC

---

#### 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



Mr. Jonathan Bradley-Hoare (Senior Statutory Auditor)  
for and on behalf of Welbeck Associates

30/6/11

Chartered Accountants  
Statutory Auditor

31 Harley Street  
London  
W1G 9QS

## **PATHWAY ONE PLC**

### **PROFIT AND LOSS ACCOUNT**

**FOR THE YEAR ENDED 31 DECEMBER 2010**

---

		<b>Year ended 31 December 2010 £</b>	<b>Year ended 31 December 2009 £</b>
	<b>Notes</b>		
Administrative expenses		(61,277)	(54,026)
<b>Operating loss</b>	<b>2</b>	(61,277)	(54,026)
Investment income	<b>3</b>	40,133	-
Interest payable and similar charges	<b>4</b>	-	(3)
<b>Loss on ordinary activities before taxation</b>		(21,144)	(54,029)
Tax on loss on ordinary activities	<b>5</b>	-	-
<b>Loss for the year</b>	<b>11</b>	(21,144)	(54,029)

---

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account



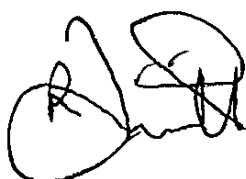
# PATHWAY ONE PLC

## BALANCE SHEET

AS AT 31 DECEMBER 2010

	Notes	2010		2009	
		£	£	£	£
<b>Fixed assets</b>					
Intangible assets	6		57,000		-
Investments	7		27,923		8,000
			<u>84,923</u>		<u>8,000</u>
<b>Current assets</b>					
Debtors	8	-		230	
Cash at bank and in hand		470		306	
		<u>470</u>		<u>536</u>	
<b>Creditors amounts falling due within one year</b>	9	(137,143)		(105,374)	
<b>Net current liabilities</b>			<u>(136,673)</u>		<u>(104,838)</u>
<b>Total assets less current liabilities</b>			<u>(51,750)</u>		<u>(96,838)</u>
<b>Capital and reserves</b>					
Called up share capital	10		327,000		327,000
Share premium account	11		1,315,012		1,315,012
Revaluation reserve	11		66,232		-
Profit and loss account	11		(1,759,994)		(1,738,850)
<b>Shareholders' funds</b>	12		<u>(51,750)</u>		<u>(96,838)</u>

Approved by the Board and authorised for issue on 30/06/11



Mr R. Darvill  
Director

Company Registration No. 04311137

# PATHWAY ONE PLC

## CASH FLOW STATEMENT

**FOR THE YEAR ENDED 31 DECEMBER 2010**

	Year ended 31 December 2010 £	Year ended 31 December 2009 £
<b>Net cash (outflow)/inflow from operating activities</b>	(126,278)	8,309
<b>Returns on investments and servicing of finance</b>		
Interest paid	-	(3)
<b>Net cash outflow for returns on investments and servicing of finance</b>	-	(3)
<b>Capital expenditure and financial investment</b>		
Payments to acquire intangible assets	(60,000)	-
Payments to acquire investments	(8,000)	(8,000)
Receipts from sales of investments	134,575	-
<b>Net cash inflow/(outflow) for capital expenditure</b>	66,575	(8,000)
<b>Acquisitions and disposals</b>		
Sale of subsidiary undertakings (net of cash acquired)	(40,133)	-
<b>Net cash outflow for acquisitions and disposals</b>	(40,133)	-
<b>Net cash (outflow)/inflow before management of liquid resources and financing</b>	(99,836)	306
<b>Financing</b>		
Other new short term loans	100,000	-
<b>Net cash inflow/(outflow) from financing</b>	100,000	-
<b>Increase in cash in the year</b>	164	306

# PATHWAY ONE PLC

## NOTES TO THE CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2010

1	Reconciliation of operating loss to net cash (outflow)/inflow from operating activities	2010 £	2009 £
	Operating loss	(61,277)	(54,026)
	Amortisation of intangible assets	3,000	-
	Decrease/(increase) in debtors	230	(230)
	(Decrease)/Increase in creditors within one year	(68,231)	62,565
	<b>Net cash (outflow)/inflow from operating activities</b>	<b>(126,278)</b>	<b>8,309</b>

2	Analysis of net (debt)/funds	1 January 2010 £	Cash flow £	Other non-cash changes £	31 December 2010 £
	Net cash				
	Cash at bank and in hand	306	164	-	470
	Bank deposits	-	-	-	-
	Debt				
	Debts falling due within one year	-	(100,000)	-	(100,000)
	<b>Net funds/(debt)</b>	<b>306</b>	<b>(99,836)</b>	<b>-</b>	<b>(99,530)</b>

3	Reconciliation of net cash flow to movement in net (debt)/funds	2010 £	2009 £
	Increase in cash in the year	164	306
	Cash inflow from increase in debt	(100,000)	-
	<b>Movement in net (debt)/funds in the year</b>	<b>(99,836)</b>	<b>306</b>
	Opening net funds	306	-
	<b>Closing net (debt)/funds</b>	<b>(99,530)</b>	<b>306</b>

# PATHWAY ONE PLC

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2010

### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings

The company has received confirmation from its ultimate holding company, Rivington Street Holdings (UK) Limited that it will continue to support the company for at least the next twelve months, and accordingly the accounts have been prepared under the going concern basis

#### 1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

#### 1.3 Research and development

Research expenditure is written off to the profit and loss account in the year in which it is incurred. Development expenditure is written off in the same way unless the directors are satisfied as to the technical, commercial and financial viability of individual projects. In this situation, the expenditure is deferred and amortised over the period during which the company is expected to benefit.

#### 1.4 Investments

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

#### 1.5 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

2 Operating loss	2010 £	2009 £
Operating loss is stated after charging		
Amortisation of intangible assets	3,000	-

#### Auditors' remuneration

Fees payable to the company's auditor for the audit of the company's annual accounts

Bookkeeping

4,500	2,500
-	6,777
4,500	9,277

3 Investment income	2010 £	2009 £
Income from fixed asset investments	40,133	-

# PATHWAY ONE PLC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2010

<b>4</b>	<b>Interest payable</b>	<b>2010</b>	<b>2009</b>
		<b>£</b>	<b>£</b>
	On bank loans and overdrafts	-	3
		<u>-</u>	<u>3</u>
<b>5</b>	<b>Taxation</b>	<b>2010</b>	<b>2009</b>
	<b>Total current tax</b>	-	-
		<u>-</u>	<u>-</u>
	<b>Factors affecting the tax charge for the period</b>		
	Loss on ordinary activities before taxation	(21,144)	(54,029)
		<u>(21,144)</u>	<u>(54,029)</u>
	Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 21.00% (2009 - 21.00%)	(4,440)	(11,346)
		<u>(4,440)</u>	<u>(11,346)</u>
	Effects of		
	Non deductible expenses	-	756
	Depreciation add back	630	-
	Other tax adjustments	3,810	10,590
		<u>4,440</u>	<u>11,346</u>
	<b>Current tax charge for the period</b>	-	-
		<u>-</u>	<u>-</u>

# PATHWAY ONE PLC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2010**

### 6 Intangible fixed assets

	Development Costs £
<b>Cost</b>	
At 1 January 2010	-
Additions	60,000
At 31 December 2010	60,000
<b>Amortisation</b>	
At 1 January 2010	-
Charge for the year	3,000
At 31 December 2010	3,000
<b>Net book value</b>	
At 31 December 2010	57,000
At 31 December 2009	-

# PATHWAY ONE PLC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2010

#### 7 Fixed asset investments

	Listed investments £	Unlisted investments £	Total £
<b>Cost or valuation</b>			
At 1 January 2010	-	8,000	8,000
Additions	8,000	-	8,000
Revaluation	106,365	-	106,365
Disposals	(86,442)	(8,000)	(94,442)
At 31 December 2010	27,923	-	27,923
<b>Net book value</b>			
At 31 December 2010	27,923	-	27,923
At 31 December 2009	-	8,000	8,000

The company's brought forward investment of £8,000 in Powabyke EV Limited was converted into 12.5 million 0.1p shares in Metroelectric plc, a company listed on Plus Markets, when Metroelectric plc acquired 100% of the share capital of Powabyke EV Limited. The shares were revalued during the year by the Directors based on the quoted price at the time of revaluation. During the year 6.9 million shares in Metroelectric plc were transferred to Rivington Street Holdings (UK) Limited, the ultimate parent company, in settlement of the inter-company balance due of £86,442. The investment in Metroelectric plc was revalued to the closing price on Plus Markets as at 31 December 2010.

8 Debtors	2010 £	2009 £
Other debtors	-	230

9 Creditors amounts falling due within one year	2010 £	2009 £
Trade creditors	15,127	44,944
Amounts owed to parent and fellow subsidiary undertakings	12,960	15,069
Amounts owed to subsidiary undertakings	-	27,140
Taxes and social security costs	1,160	-
Other creditors	103,396	10,500
Accruals and deferred income	4,500	7,721
	137,143	105,374

# PATHWAY ONE PLC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2010

10 Share capital	2010 £	2009 £
<b>Allotted, called up and fully paid</b>		
24,540,000 Ordinary shares of 1p each	245,400	245,400
8,160,000 Deferred shares of 1p each	81,600	81,600
	<u>327,000</u>	<u>327,000</u>

#### 11 Statement of movements on reserves

	Share premium account £	Revaluation reserve £	Profit and loss account £
Balance at 1 January 2010	1,315,012	-	(1,738,850)
Loss for the period	-	-	(21,144)
Revaluation during the period	-	66,232	-
Balance at 31 December 2010	<u>1,315,012</u>	<u>66,232</u>	<u>(1,759,994)</u>

12 Reconciliation of movements in shareholders' funds	2010 £	2009 £
Loss for the financial year	(21,144)	(54,029)
Other recognised gains and losses	66,232	-
Net addition to/(depletion in) shareholders' funds	<u>45,088</u>	<u>(54,029)</u>
Opening shareholders' funds	<u>(96,838)</u>	<u>(42,809)</u>
Closing shareholders' funds	<u>(51,750)</u>	<u>(96,838)</u>

#### 13 Employees

##### Number of employees

There were no employees during the year apart from the directors



# **PATHWAY ONE PLC**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

***FOR THE YEAR ENDED 31 DECEMBER 2010***

---

### **14 Control**

The ultimate parent company is Rivington Street Holdings (UK) Limited, a company registered in England and Wales

Rivington Street Holdings (UK) Limited prepares group financial statements and copies can be obtained from Companies House

### **15 Related party relationships and transactions**

Creditors includes a trade creditor balance of £7,344 (2009 £35,938) and a loan balance of £12,960 (2009 £15,069) due to Rivington Street Holdings (UK) Limited, the ultimate holding company

During the year the company loaned £100,000 to Commercial Tyre Solutions Limited, a company of which Mr P E Rewrie is a director. Commercial Tyre Solutions Limited went into administration in June 2011 and £40,000 of the loan has been written off