Gateway Park Limited

Director's report and financial statements

Registered number 4432142

31 December 2008

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Director's report

The director presents his director's report and financial statements for the year ended 31 December 2008.

Principal activities

The company's principal activity is the development and sale of commercial property.

Business review

The results for the year are set out on page 5. The company completed the disposal of its only development in 2005 and is in the process of settling all outstanding liabilities relating to this development.

Proposed dividend

Dividends paid during the year comprise an interim dividend in respect of the year ended 31 December 2008 of £36,000 *(2007: £55,000).*

The directors do not recommend the payment of a final dividend.

Director

The director who held office during the year was as follows:

S Rankin

Political and charitable contributions

The company made no political or charitable donations or incurred any political expenditure during the year.

Disclosure of information to auditors

The director who held office at the date of approval of this director's report confirms that, so far as he is aware, there is no relevant audit information of which the company's auditors are unaware; and the director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG Audit Plc will therefore continue in office.

By order of the board

KA Atkinson
Secretary

Metnor House
Mylord Crescent
Killingworth
Newcastle upon Tyne
NE12 5YD

8 May 2009

Statement of director's responsibilities in respect of the Director's Report and the financial statements

The director is responsible for preparing the Director's 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 he has elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

The financial statements are required by law to 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 director is 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 director is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable the director to ensure that its financial statements comply with the Companies Act 1985. The director has general responsibility for taking such steps as are reasonably open to him to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The director is responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

KPMG

KPMG Audit Plc
Quayside House
110 Quayside
Newcastle upon Tyne
NE1 3DX
United Kingdom

Independent auditors' report to the members of Gateway Park Limited

We have audited the financial statements of Gateway Park Limited for the year ended 31 December 2008 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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

The director's responsibilities for preparing the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of Director's Responsibilities on page 2.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Director's Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Director's Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Independent auditors' report to the members of Gateway Park Limited *(continued)*

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2008 and of its result for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Director's Report is consistent with the financial statements.

KPMG Audit Plc

KPMG Audit Plc
Chartered Accountants
Registered Auditor

8 May 2009

Profit and Loss Account

for the year ended 31 December 2008

	Note	2008 £000	2007 £000
Turnover	*1*	-	-
Cost of sales		-	(2)
Gross loss		-	(2)
Administrative expenses		-	(2)
Operating loss		-	(4)
Other interest receivable and similar income	*4*	-	2
Loss on ordinary activities before taxation	*2-3*	-	(2)
Tax on loss on ordinary activities	*5*	-	-
Loss for the financial year	*10*	-	(2)

All of the results above derive from discontinued activities.

The company has no recognised gains or losses other than those shown above and therefore no separate statement of total recognised gains and losses has been presented.

Balance Sheet
at 31 December 2008

	Note	**2008** £000	**2008** £000	2007 £000	2007 £000
Current assets					
Debtors	*7*	6		39	
Cash at bank and in hand		-		4	
		6		43	
Creditors: amounts falling due within one year	*8*	(5)		(6)	
Net current assets			1		37
Net assets			1		37
Capital and reserves					
Called up share capital	*9*		-		-
Profit and loss account	*10*		1		37
Shareholders' funds	*11*		1		37

These financial statements were approved by the board of directors on 8 May 2009 and were signed on its behalf by:

S Rankin
Director

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

The company meets its financing requirements through funding provided by other group companies. Details of intra group balances are included in note 7.

Detailed information regarding the financial position of the Group, its cash flows, liquidity position and borrowing facilities are included in the financial statements of Metnor Group plc, which can be obtained from the address given in note 12.

The Group meets its day to day working capital requirements through a positive cash balance, a bank facility, a bank loan and an undrawn overdraft facility. Only one of these sources of funding matures in the next 12 months, a bank loan, which matures on 30 November 2009. The directors have received an informal confirmation from the bank that it foresees no reason why the renewal would not be forthcoming on acceptable terms. The Group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Group should be able to operate within the level of its current facilities.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Further information on the company's business activities, together with the factors likely to affect its future development, performance, and position are set out in the Directors' Report.

Under FRS 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements.

As the company is a wholly owned subsidiary of Metnor Group plc, it has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties). The consolidated financial statements of Metnor Group plc, within which this company is included, can be obtained from the address given in note 12.

Taxation

The charge for taxation is based on the result for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

Notes *(continued)*

1 Accounting policies *(continued)*

Classification of financial instruments issued by the company

Financial instruments issued by the company are treated as equity (i.e. forming part of shareholders' funds) only to the extent that they meet the following two conditions:

a) they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company; and

b) where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Finance payments associated with financial liabilities are dealt with as part of interest payable and similar charges. Finance payments associated with financial instruments that are classified as part of shareholders' funds (see dividends policy), are dealt with as appropriations in the reconciliation of movements in shareholders' funds.

Dividends on shares presented within shareholders' funds

Dividends unpaid at the balance sheet date are only recognised as a liability at that date to the extent that they are appropriately authorised and are no longer at the discretion of the company. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements.

Turnover

Turnover comprises proceeds from the sale of development properties and is recognised on legal completion. All turnover arises in the UK.

2 Notes to the profit and loss account

	2008	2007
	£000	£000
Loss on ordinary activities before taxation is stated after charging:		
Auditors' remuneration		
Audit of these financial statements	-	1

No auditors' remuneration was charged to the profit and loss account in 2008 as this was borne by the company's ultimate parent undertaking. Auditor's remuneration during 2008, borne by the company's parent undertaking, amounted to £250.

3 Remuneration of directors, staff numbers and costs

No remuneration was paid to the directors, in respect of their services to the company, during the year *(2007: £nil)*. The company had no other employees during the current and the preceding financial year.

Notes *(continued)*

4 Other interest receivable and similar income

	2008 £000	2007 £000
Bank interest	-	2

5 Taxation

Analysis of credit in period

	2008 £000	2007 £000
UK corporation tax		
Current tax on income for the period	-	-
Adjustment in respect of prior years	-	-
Tax on loss on ordinary activities	-	-

6 Dividends

The aggregate amount of dividends comprises:

	2008 £000	2007 £000
Interim dividends paid in respect of the current year	36	55

The aggregate amount of dividends proposed and recognised as liabilities as at the year end is £nil *(2007: £nil).*

7 Debtors

	2008 £000	2007 £000
Trade debtors	-	39
Amounts owed by group undertakings	6	-
	6	39

Notes *(continued)*

8 Creditors: amounts falling due within one year

	2008 £000	2007 £000
Trade creditors	**5**	6

9 Called up share capital

	2008 £	2007 £
Authorised		
500 'A' ordinary shares of £1 each	**500**	500
500 'B' ordinary shares of £1 each	**500**	500
	1,000	1,000
Allotted, called up and fully paid		
1 'A' ordinary share of £1	**1**	1
1 'B' ordinary share of £1	**1**	1
	2	2

The company has one £1 'A' ordinary share and one £1 'B' ordinary share in issue.

The 'A' ordinary shares and 'B' ordinary shares carry the same rights and privileges and rank pari passu with each other except as follows:

(i) On the winding up of the company or the distribution of any profits of the company, the 'A' shares shall be entitled to receive 90% of any distribution and the 'B' shares 10% of any distribution.

10 Profit and loss account

	2008 £000	2007 £000
At beginning of year	**37**	94
Loss for the year	**-**	(2)
Dividend on shares classified in shareholders' funds	**(36)**	(55)
At end of year	**1**	37

Notes *(continued)*

11 Reconciliation of movements in shareholders' funds

	2008 £000	2007 £000
Loss for the financial year	-	(2)
Dividends on shares classified in shareholders' funds	(36)	(55)
Net reduction in shareholders' funds	(36)	(57)
Opening shareholders' funds	37	94
Closing shareholders' funds	1	37

12 Ultimate parent company

The company is a subsidiary undertaking of Metnor Group plc.

The only group in which the results of the company are consolidated is that headed by Metnor Group plc. The consolidated accounts of this group are available to the public and may be obtained from Metnor House, Mylord Crescent, Killingworth, Tyne and Wear, NE12 5YD.

The ultimate parent company, Metnor Group plc, is controlled by Mr S Rankin, who directly held more than 50% of the issued share capital of the company at the year end.