

# **Greenock Retail Limited**

Report and Financial Statements

Year Ended

31 March 2012

Company number 5007689



# **Greenock Retail Limited**

**Report and financial statements  
for the year ended 31 March 2012**

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## **Directors**

A C Gallagher  
G H Gosling  
Lord Harris of Peckham  
P J Saunders

## **Secretary and registered office**

S A Burnett, 15 Hockley Court, Stratford Road, Hockley Heath, Solihull, West Midlands, B94 6NW

## **Company number**

5007689

## **Auditors**

BDO LLP, 2 City Place, Beehive Ring Road, Gatwick, West Sussex, RH6 0PA

# **Greenock Retail Limited**

## **Report of the directors for the year ended 31 March 2012**

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The directors present their report together with the audited financial statements for the year ended 31 March 2012

### **Results**

The profit and loss account is set out on page 5 and shows the profit for the year (2011 – profit)

The directors do not recommend the payment of a final dividend (2011 - £Nil)

### **Principal activities**

The principal activity of the company in the year under review was that of property investment

The results for the year and financial position of the company are as shown in the annexed financial statements

### **Directors**

The directors of the company during the year were

A C Gallagher  
G H Gosling  
Lord Harris of Peckham  
P J Saunders

### **Directors' responsibilities**

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. 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.

# Greenock Retail Limited

## Report of the directors for the year ended 31 March 2012 (*continued*)

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### Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purpose of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

The auditors, BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting, in accordance with section 485 of the Companies Act 2006.

In preparing this directors' report advantage has been taken of the small companies' exemption.

### On behalf of the Board



G H Gosling  
Director

Date 15 Feb 2013

# **Greenock Retail Limited**

## **Independent auditor's report**

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### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GREENOCK RETAIL LIMITED**

We have audited the financial statements of Greenock Retail Limited for the year ended 31 March 2012 which comprise the profit and loss account, the balance sheet 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 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 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 and express an opinion on 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/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

#### **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 2012 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 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.

# Greenock Retail Limited

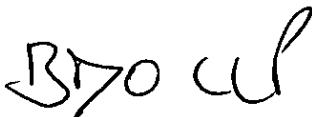
## Independent auditor's report (*continued*)

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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 financial statements and the directors' report in accordance with the small companies' regime



*James Roberts (senior statutory auditor)  
For and on behalf of BDO LLP, statutory auditor  
Gatwick*

Date 18/2/2013

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

# Greenock Retail Limited

## Profit and loss account for the year ended 31 March 2012

	Note	2012 £	2011 £
Administrative expenses		307,830	155,126
<b>Operating loss</b>	2	<b>(307,830)</b>	<b>(155,126)</b>
Interest receivable and similar income	3	586,356	565,797
Income from fixed asset investment		1,227,320	1,040,962
Interest payable and similar charges	4	(669,966)	(830,749)
<b>Profit on ordinary activities before taxation</b>		<b>835,880</b>	<b>620,884</b>
Taxation on profit from ordinary activities		109,603	117,622
<b>Profit for the financial year after taxation</b>	10	<b>945,483</b>	<b>738,506</b>

All amounts relate to continuing activities

The company has no recognised gains and losses other than the profit for the current and previous year

The notes on pages 7 to 11 form part of these financial statements

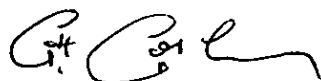
# Greenock Retail Limited

Balance sheet at 31 March 2012

Company number 5007689	Note	2011 £	2011 £	2011 £	2011 £
<b>Fixed assets</b>					
Investments	5		1,232,437		1,232,437
<b>Current assets</b>					
Debtors	6	21,900,769		21,248,966	
Cash at bank and in hand		576,345		437,931	
		<u>22,477,114</u>		<u>21,686,897</u>	
<b>Creditors amounts falling due within one year</b>	7	<u>18,417,819</u>		<u>18,573,085</u>	
<b>Net current assets</b>			<u>4,059,295</u>		<u>3,113,812</u>
<b>Total assets less current liabilities</b>			<u>5,291,732</u>		<u>4,346,249</u>
<b>Net assets</b>			<u>5,291,732</u>		<u>4,346,249</u>
<b>Capital and reserves</b>					
Called up share capital	8		2		2
Profit and loss account	9		<u>5,291,730</u>		<u>4,346,247</u>
<b>Shareholders' funds</b>	13		<u>5,291,732</u>		<u>4,346,249</u>

These financial statements have been prepared in accordance with the special provisions of the Companies Act 2006 relating to small companies

The financial statements were approved by the Board and authorised for issue on 15 February 2013



G H Gosling  
Director

The notes on pages 7 to 11 form part of these financial statements



# Greenock Retail Limited

## Notes forming part of the financial statements for the year ended 31 March 2012

### 1 Accounting policies

The financial statements have been prepared under the historical cost convention. The following principal accounting policies have been applied:

#### *Basis of preparation*

The financial statements have been prepared on a going concern basis.

#### *Cash flow statement*

The company has taken advantage of the exemption conferred by Financial Reporting Standard 1 'Cash Flow Statements (Revised 1996)' not to prepare a cash flow statement on the grounds that it is a 'small' company under the Companies Act 2006.

#### *Deferred taxation*

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date except that the recognition of deferred tax assets is limited to the extent that the company anticipates to make sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

#### *Amortisation of loan issue costs*

Costs incurred in respect of obtaining loan finance are included in other debtors and are amortised over the period of repayment of the loan in proportion to the outstanding loan.

#### *Consolidated accounts*

Consolidated accounts have not been prepared for the company and its subsidiaries as the exemption in respect of a small group has been taken.

### 2 Operating loss

	2012 £	2011 £
This has been arrived at after charging/(crediting)		
Auditors' remuneration	4,200	4,200
Waiver of intercompany creditor	(1,227,320)	(1,040,962)
	<u>          </u>	<u>          </u>

# Greenock Retail Limited

Notes forming part of the financial statements  
for the year ended 31 March 2012 (continued)

## 3 Interest receivable and similar income

	2012 £	2011 £
Deposit account interest	591	519
Interest receivable from group undertakings	585,765	565,278
	<u>586,356</u>	<u>565,797</u>

## 4 Interest payable and similar charges

	2012 £	2011 £
Bank interest	657,254	806,519
Amortisation of loan interest costs	12,712	24,230
	<u>669,966</u>	<u>830,749</u>

## 5 Investments

	Shares in group undertakings £
<i>Cost</i>	
At 1 April 2011 and at 31 March 2012	<u>1,232,437</u>
<i>Net book value</i>	
At 31 March 2012	<u>1,232,437</u>
At 31 March 2011	<u>1,232,437</u>

The investment represents all of the ordinary shares of GR (Greenock) Limited, an intermediate holding company, which holds all of the ordinary shares of GR (Greenock) 1 Limited, an intermediate holding company, which holds all of the ordinary shares of GR (Greenock) 2 Limited, a property investment company

The profit after tax and net assets of these subsidiaries are as follows

Company name	Profit/(loss) after tax		Net assets/(liabilities)	
	2012 £	2011 £	2012 £	2011 £
GR (Greenock) Limited	(861,665)	(407,000)	(6,111,277)	(5,249,612)
GR (Greenock) 1 Limited	-	-	14,000,001	14,000,001
GR (Greenock) 2 Limited	656,684	662,264	16,903,694	17,668,456
	<u></u>	<u></u>	<u></u>	<u></u>

# Greenock Retail Limited

Notes forming part of the financial statements  
for the year ended 31 March 2012 (*continued*)

## 6 Debtors

	2012 £	2011 £
Amounts owed by group undertakings	20,111,278	19,525,513
Amounts owed by related parties	1,767,666	1,688,916
Other debtors	21,825	34,537
	<u>21,900,769</u>	<u>21,248,966</u>

All amounts shown under debtors fall due for payment within one year

## 7 Creditors amounts falling due within one year

	2012 £	2011 £
Bank loans (secured)	18,100,000	18,550,000
Accruals and deferred income	317,819	23,085
	<u>18,417,819</u>	<u>18,573,085</u>

The bank loan is on normal commercial terms and is secured by way of a fixed charge over the assets GR (Greenock) 2 Limited. Interest is payable on the loan at a rate per annum equal to the aggregate of LIBOR, the margin and the associated costs for such interest period. Interest rate swaps have been entered into fixing the rate of LIBOR charged on £7,800,000 of the bank debt at 5.21%.

## 8 Share capital

	Allotted, called up and fully paid	
	2012 £	2011 £
'A' ordinary shares of £1 each	1	1
'B' ordinary shares of £1 each	1	1
	<u>2</u>	<u>2</u>

# Greenock Retail Limited

Notes forming part of the financial statements  
for the year ended 31 March 2011 (*continued*)

## 9 Reserves

	Profit and loss account £
At 1 April 2011	4,346,247
Profit for the year	945,483
	<hr/>
<b>At 31 March 2012</b>	<b>5,291,730</b>
	<hr/>

## 10 Reconciliation of movement in shareholders' funds

	2012 £	2011 £
Profit for the financial year	945,483	738,506
	<hr/>	<hr/>
Net addition to shareholders' funds	945,483	738,506
Opening shareholders' funds	4,346,249	3,607,743
	<hr/>	<hr/>
Closing shareholders' funds	5,291,732	4,346,249
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## 11 Guarantees

The bank loan within Greenock Retail Limited, the ultimate parent company, is on normal commercial terms and is secured by way of a fixed charge over the assets of its subsidiaries

## 12 Ultimate parent company

The company is controlled as a joint venture by Harris Ventures Limited and Ashflame Properties Limited, which each own one share of the issued share capital. Both companies are registered in England and Wales.

# Greenock Retail Limited

Notes forming part of the financial statements  
for the year ended 31 March 2012 (*continued*)

## 13 Related party disclosures

Related party transactions and balances

	Loan interest received		Due from related parties at 31 March	
	2012	2011	2012	2011
	£	£	£	£
Harris Ventures Limited	-	-	887,367	878,617
Ashflame Properties Limited	-	-	880,299	810,299
GR (Greenock) Limited	(585,765)	(565,278)	20,111,278	19,525,513

All balances due stated above are loan balances as there is no trading between the company and the joint venture companies

During the year, the amount owed to GR (Greenock) 2 Limited of £1,227,320 (2011- £1,040,962) was waived which led to a credit to the profit and loss account

Ashflame Properties Limited and Harris Ventures Limited own the entire share capital under a joint venture agreement. All loans are subordinate to the bank loan

During the year, rent and fees of £226,148 (2011 - £226,148) were received from Carpetright plc, a company in which the ultimate controlling party of one of the joint venture partners held a material shareholding and interest