

Greenock Retail Limited

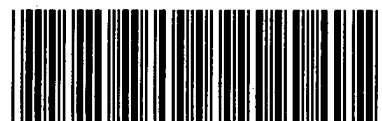
Report and Financial Statements

Year Ended

31 March 2014

Company Number 5007689

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Greenock Retail Limited

**Report and financial statements
for the year ended 31 March 2014**

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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 2014

The directors present their report together with the audited financial statements for the year ended 31 March 2014.

Results

The profit and loss account is set out on page 5 and shows the profit for the year (2013 - profit).

The directors do not recommend the payment of a final dividend (2013 - £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 2014 (*continued*)

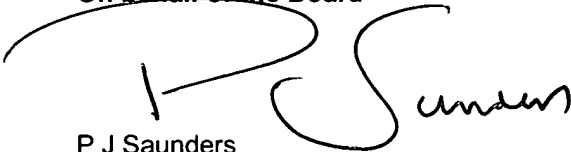
Auditors

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

A large, stylized handwritten signature in black ink, appearing to read 'P J Saunders'.

P J Saunders
Director

16 December 2014

Greenock Retail Limited

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 2014 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 Financial Reporting Council's (FRC'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 FRC's website at www.frc.org.uk/auditscopeukprivate.

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 2014 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*)

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 and to the exemption from the requirement to prepare a strategic report.



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

Date 16 December 2014

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 2014

	Note	2014 £	2013 £
Administrative expenses		357,360	381,692
Operating loss	2	(357,360)	(381,692)
Interest receivable and similar income	3	622,156	604,326
Income from fixed asset investment		734,606	705,598
Interest payable and similar charges	4	(652,778)	(656,111)
Profit on ordinary activities before taxation		346,624	272,121
Taxation on profit from ordinary activities		89,135	121,374
Profit for the financial year after taxation	10	435,759	393,495

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 2014

Company number: 5007689	Note	2013 £	2013 £	2013 £	2013 £
Fixed assets					
Investments	5		1,232,437		1,232,437
Current assets					
Debtors	6	21,483,720		21,771,395	
Cash at bank and in hand		378,860		1,178,587	
		<u>21,862,580</u>		<u>22,949,982</u>	
Creditors: amounts falling due within one year	7	<u>16,974,031</u>		<u>18,497,192</u>	
Net current assets			<u>4,888,549</u>		<u>4,452,790</u>
Net assets			<u>6,120,986</u>		<u>5,685,227</u>
Capital and reserves					
Called up share capital	8		2		2
Profit and loss account	9		<u>6,120,984</u>		<u>5,685,225</u>
Shareholders' funds	10		<u>6,120,986</u>		<u>5,685,227</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 16 December 2014.


P J Saunders
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 2014

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

	2014 £	2013 £
This has been arrived at after charging:		
Auditors' remuneration	6,500	5,400

Greenock Retail Limited

Notes forming part of the financial statements
for the year ended 31 March 2014 (continued)

3 Interest receivable and similar income

	2014 £	2013 £
Deposit account interest	718	988
Interest receivable from group undertakings	621,438	603,338
	<u>622,156</u>	<u>604,326</u>

4 Interest payable and similar charges

	2014 £	2013 £
Bank interest	643,665	643,399
Amortisation of loan interest costs	9,113	12,712
	<u>652,778</u>	<u>656,111</u>

5 Investments

	Shares in group undertakings £
Cost	
At 1 April 2013 and at 31 March 2014	<u>1,232,437</u>
Net book value	
At 31 March 2014	<u>1,232,437</u>
At 31 March 2013	<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)	
	2014 £	2013 £	2014 £	2013 £
GR (Greenock) Limited	(621,438)	(603,338)	(7,336,053)	(6,714,615)
GR (Greenock) 1 Limited	-	-	14,000,001	14,000,001
GR (Greenock) 2 Limited	681,268	720,277	14,795,660	14,292,667
	<u></u>	<u></u>	<u></u>	<u></u>

Greenock Retail Limited

Notes forming part of the financial statements for the year ended 31 March 2014 (continued)

6 Debtors

	2014 £	2013 £
Amounts owed by group undertakings	21,336,054	20,714,616
Amounts owed by related parties	147,666	1,047,666
Other debtors	-	9,113
	<u>21,483,720</u>	<u>21,771,395</u>

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

7 Creditors: amounts falling due within one year

	2014 £	2013 £
Bank loans (secured)	16,650,000	18,100,000
Accruals and deferred income	324,031	397,192
	<u>16,974,031</u>	<u>18,497,192</u>

At 31 March 2014 the bank loan was due on demand and secured by way of a fixed charge over the assets GR (Greenock) 2 Limited. The loan was repaid in full on 4 July 2014.

8 Share capital

	Allotted, called up and fully paid	
	2014 £	2013 £
'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 2014 (*continued*)

9 Reserves

	Profit and loss account £
At 1 April 2013	5,685,225
Profit for the year	435,759
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At 31 March 2014	6,120,984
	<hr/>

10 Reconciliation of movement in shareholders' funds

	2014 £	2013 £
Profit for the financial year	435,759	393,495
	<hr/>	<hr/>
Net addition to shareholders' funds	435,759	393,495
Opening shareholders' funds	5,685,227	5,291,732
	<hr/>	<hr/>
Closing shareholders' funds	6,120,986	5,685,227
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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 2014 (continued)

13 Related party disclosures

Related party transactions and balances

	Loan interest received		Due from related parties at 31 March	
	2014	2013	2014	2013
	£	£	£	£
Harris Ventures Limited	-	-	77,367	527,367
Ashflame Properties Limited	-	-	70,299	520,299
GR (Greenock) Limited	(621,438)	(603,338)	21,336,054	20,714,616

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 full outstanding amount owed to GR (Greenock) 2 Limited of £734,606 (2013 - £705,598) 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 related party loans are subordinate to the bank loan.

During the year, rent and fees of £255,864 (2013 - £251,223) 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.