

Redwood (Holdings) Limited

Annual report

for the year ended 31 August 2012

Registered Number SC219892



Redwood (Holdings) Limited

Directors' report and financial statements for the year ended 31 August 2012

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Redwood (Holdings) Limited

Directors and advisers for the year ended 31 August 2012

Directors

G K Whiting
G W Lees (Resigned 26 May 2012)
M Kidd

Company Secretary

Burness

Independent auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Erskine House
68-73 Queen Street
Edinburgh
EH2 4NH

Solicitors

Burness
50 Lothian Road
Festival Square
Edinburgh
Midlothian
EH3 9WJ

Bankers

Bank of Scotland
The Mound
Edinburgh
Midlothian
EH11 4EF

Registered office

Suite B Dunsinane House
Kilspindie Road
Dundee
Tayside
DD2 3PW

Registered number

SC219892

Redwood (Holdings) Limited

Directors' report for the year ended 31 August 2012

The directors present their report and the audited financial statements of the company (Registered Number: SC219892) for the year ended 31 August 2012.

Principal activities

The company's principal activity is holding investments.

Future outlook

Redwood (Holdings) Limited is the non-trading parent of Redwood Leisure Limited. With the continuing economic downturn, trading conditions have continued to be difficult for Redwood Leisure Limited; however the directors remain confident of achieving their targets in the coming year.

Business review and principal activities

Redwood (Holdings) Limited ("the company") holds investments in Redwood Leisure Limited, a company incorporated in Scotland. All finance costs arising on bank loans have been recharged to its subsidiary, Redwood Leisure Limited. The company made a profit of £685,000 in the year (2011: £nil).

Dividends

The directors recommend an interim dividend payment of £658,000 (2011: £nil). The directors recommend that no final dividend be paid (2011: £nil).

Principal risks and uncertainties

The management of the business and the execution of the company's strategy are subject to a number of risks. The key business risks and uncertainties affecting the company are considered to relate to competition from both national and independent pubs in the Dundee area, the regulatory environment and changes in government legislation to alcohol moving forward. In order to both mitigate and manage these risks, management regularly review performance against budget and take appropriate action as and when they deem necessary.

Key performance indicators ("KPIs")

Given the straightforward nature of the business, the company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

Financial risk management

Given the size of the company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the board of directors are implemented by the company's finance department. Given the nature of the company's operations, the impact of price risk and credit risk are not material in assessing the entity's assets, liabilities, financial position and profit for the year.

Liquidity risk

The positive operating cash flow of the subsidiary company, Redwood Leisure Limited has ensured that the company has cleared debt in advance of initial proposals.

Directors

The directors of the company during the year and at the date of this report are listed on page 1.

Redwood (Holdings) Limited

Directors' report for the year ended 31 August 2012 (continued)

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 prepared 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.

In accordance with Section 418 of the Companies Act 2006 each director in office at the date the directors' report is approved confirms that:

(a) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and

(b) he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Independent auditors

PricewaterhouseCoopers LLP have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the Annual General Meeting.

On behalf of the Board



G K Whiting
Director

18 February 2013

Redwood (Holdings) Limited

Independent auditors' report to the members of Redwood (Holdings) Limited

We have audited the financial statements of Redwood (Holdings) Limited for the year ended 31 August 2012 which comprise the Profit and Loss Account, the Balance Sheet, the Accounting Policies 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).

Respective responsibilities of directors and auditors

As explained more fully in the Statement of directors' responsibilities 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 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 Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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. In addition, we read all the financial and non-financial information in the financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 August 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 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.

Redwood (Holdings) Limited

Independent auditors' report to the members of Redwood (Holdings) Limited (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.



Martin Cowie (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Edinburgh
19 February 2013

Redwood (Holdings) Limited

Profit and loss account for the year ended 31 August 2012

	Note	2012 £'000	2011 £'000
Investment income	4	658	-
Net interest	5	-	-
Profit on ordinary activities before taxation		658	-
Tax on profit on ordinary activities	6	-	-
Profit for the financial year	13	658	-

There is no material difference between the profit on ordinary activities before taxation and the profit for the year stated above and their historical cost equivalents.

The company has no recognised gains and losses other than the profit above and therefore no separate statement of total recognised gains and losses has been presented.

Redwood (Holdings) Limited

Balance sheet as at 31 August 2012

	Note	2012 £'000	2011 £'000
Fixed assets			
Investments	8	294	294
Current assets			
Debtors	9	7,344	6,855
		7,344	6,855
Creditors: amounts falling due within one year	10	7,326	6,837
Net current assets		18	18
Net assets		312	312
Capital and reserves			
Called up share capital	11	4	4
Share premium	12	308	308
Profit and loss account	13	-	-
Total shareholders' funds	14	312	312

The financial statements and related notes on pages 6 to 13 were approved by the board of directors on 18 February 2013 and were signed on its behalf by:


G K Whiting
Director

Redwood (Holdings) Limited

Accounting policies

These financial statements are prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards. The principal accounting policies are set out below.

Consolidation requirements

Under section 400 of the Companies Act 2006, the company is not required to prepare a group consolidation as it is a wholly owned subsidiary of Greenfield I Limited, which prepares consolidated financial statements which are publicly available.

Cash flow statement

The company is not required to prepare a cash flow statement under FRS 1 (revised) 1996, because it is a wholly owned subsidiary of Greenfield I Limited, which prepares consolidated financial statements which are publically available.

Related parties

The company is exempt under terms of FRS 8 from disclosing related party transactions with entities that are part of Greenfield I Limited group or investees of the Greenfield I Limited group.

Investments

Investments held as fixed assets are stated at cost less provision for permanent diminution in value.

Redwood (Holdings) Limited

Notes to the financial statements for the year ended 31 August 2012

1 Profit and loss account

The profit and loss account activity during the year relates to interest receivable from group companies, interest payable on bank loans and dividends received from subsidiary undertakings.

2 Directors' emoluments

The directors of the company are employed by Redwood Leisure Limited. Their remuneration is disclosed in the accounts of Redwood Leisure Limited.

3 Employee information

Group employees are employed by Redwood Leisure Limited and employee information is disclosed in Redwood Leisure Limited accounts.

4 Investment Income

	2012 £'000	2011 £'000
Dividend received from subsidiary undertaking	658	-

5 Net interest

	2012 £'000	2011 £'000
Interest receivable		
Interest from group companies	375	390
Interest payable		
Interest payable to group companies	(375)	(390)
Net interest	-	-

Redwood (Holdings) Limited

Notes to the financial statements for the year ended 31 August 2012 (continued)

6 Taxation

The tax charge for the year differs from the standard rate of corporation tax in the UK of 25.16%. The differences are explained below:

	2012 £'000	2011 £'000
Profit on ordinary activities before taxation	658	-
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 25.16% (2011: 26.19%)	166	-
Effects of:		
Non taxable UK dividend income	(166)	-
Current tax charge for the year	-	-

7 Dividends

	2012 £'000	2011 £'000
Equity - ordinary		
Interim paid: £2.11 (2011: £nil) per 1p share	658	-
	658	-

8 Fixed asset investments

	2012 £'000
At 1 September 2011 and 31 August 2012	294

Interests in group undertakings

Name of undertaking	Country of registration	Description of shares held	Proportion held	Nature of business
Redwood Leisure Limited	Scotland	Ordinary Shares	100%	Hotel and leisure industry

Redwood (Holdings) Limited

Notes to the financial statements for the year ended 31 August 2012 (continued)

9 Debtors

	2012	2011
	£'000	£'000
Amounts due from group undertakings	6,655	6,855
Other debtors	689	-
	7,344	6,855

Amounts due from group companies are unsecured and repayable on demand. These amounts attract interest at 1.45% above LIBOR.

Other debtors include loans provided to directors:

	2012	2011
	£'000	£'000
G K Whiting	642	-
J Rollo	47	-
	689	-

Directors' loans are repayable on demand.

The loans are subject to interest payments at a rate of 1.45% above LIBOR.

10 Creditors: amounts falling due within one year

	2012	2011
	£'000	£'000
Amounts owed to parent company	6,637	6,837
Amounts owed to subsidiary undertaking	689	-
	7,326	6,837

Amounts due to parent company and subsidiary undertakings are unsecured and repayable on demand. These amounts attract interest at 5.69%.

Redwood (Holdings) Limited

Notes to the financial statements for the year ended 31 August 2012 (continued)

11 Called up share capital

	2012 £'000	2011 £'000
Allotted, called up and fully paid		
250,000 ordinary shares of 1p each	3	3
62,500 "A" ordinary shares of 1p each	1	1
	4	4

Each of the ordinary and "A" ordinary shares carry an equal vote.

Prior consent is required from 75% of the "A" ordinary shareholders for the payment of an initial ordinary dividend on each. Any dividend subsequently declared will be distributed on a pari passu basis as if both the ordinary shares and "A" ordinary shares constituted one class of share.

Each "A" ordinary share of 1p can, at any time and upon intimation to the Board, be convertible into one ordinary share of 1p. The resulting ordinary shares will rank equally in all respects with the other ordinary shares in the company.

In the event of winding up the company, the surplus assets of the company (after payment of all liabilities) shall be distributed amongst the holders of the "A" ordinary and ordinary shares pari passu as if they constituted one class of share.

12 Reconciliation of movements in share premium

	£'000
As at 1 September 2011	308
As at 31 August 2012	308

13 Profit and Loss Account

	£'000
As at 1 September 2011	-
Profit for the year	658
Dividends paid (Note 7)	(658)
As at 31 August 2012	-

Redwood (Holdings) Limited

Notes to the financial statements for the year ended 31 August 2012 (continued)

14 Reconciliation of movements in shareholders' funds

	2012 £'000
Opening shareholders' funds	312
Retained profit for the financial year	658
Dividends paid (Note 7)	(658)
Closing shareholders' funds	312

15 Contingent liabilities

The company is a participant in a group banking arrangement under which all surplus cash balances are held as collateral for bank facilities advanced to group members. In addition, the company has issued an unlimited guarantee to the bank to support these group facilities.

16 Ultimate parent undertaking

The immediate parent undertaking is Lothian Shelf (633) Limited.

The ultimate parent undertaking and controlling party is Greenfield I Limited, a company incorporated in Scotland.

Greenfield I Limited is the parent undertaking of the largest group of undertakings to consolidate these financial statements at 31 August 2012. The consolidated financial statements of Greenfield I Limited available from the Company Secretary, Burness, 50 Lothian Road, Festival Square, Edinburgh, EH3 9WJ.

Greenfield I Limited is the parent undertaking of the smallest group of undertakings to consolidate these financial statements. The consolidated financial statements of Greenfield I Limited can be obtained from the Company Secretary, Burness, 50 Lothian Road, Festival Square, Edinburgh, EH3 9WJ.