

Company Registration Number: 2415941

TR PROPERTY FINANCE LIMITED

Report and Accounts

For the period 1 April 2015 to 30 September 2016

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COMPANIES HOUSE

DIRECTORS' REPORT

Directors: J L Elliott
M A Phayre-Mudge
G Gay

Secretary: Capita Company Secretarial Services

Auditors: KPMG LLP
15 Canada Square, London, E14 SGL

Registered Office: 11 Hanover Street, London, W1S 1YQ

The directors present their report and the audited accounts for TR Property Finance Limited (the 'Company') for the period from 1 April 2015 to 30 September 2016.

Business Review

The principal activities of the Company are those of an investment holding and finance company.

The Company will continue to act as an investment holding and finance company for the TR Property Investment Trust Plc group ("the Group").

The Company does not currently have sufficient financial resources but has continuing financial support of its ultimate parent company, TR Property Investment Trust Plc (the 'Group'). The Group has provided a letter setting out its financial support to the Company to meet all of its present and future obligations as and when they fall due to the extent the Company is unable to do so. As a consequence the directors believe that the company is well placed to manage its business risks going forward. Accordingly, the financial statements have been prepared on a going concern basis, which assumes that the Company will continue in operational existence for the foreseeable future and be able to meet its liabilities as they fall due.

The Company is exempt from preparing a strategic report under section 416 of the Small Companies Accounts Regulations 2008.

Directors

The directors of the Company during the period ended 30 September 2016 were those listed above.

No director had any interests in the share capital of the Company. The interests of the directors in the share capital of TR Property Investment Trust plc, the ultimate holding company, at the beginning of the period and at the end of the period are shown below:

	Ordinary Shares of 25p 30 September 2016	Ordinary Shares of 25p 1 April 2015
J L Elliott	23,140	23,140
M A Phayre-Mudge	297,192	297,192
G Gay	7,124	4,108

Dividend

The Company has no distributable reserves and the directors do not recommend the payment of a dividend. (2015: nil).

Supplier payment policy and practice

It is the Company's policy that payments to suppliers are made in accordance with those terms and conditions agreed between the Company and its suppliers, provided that all trading terms and conditions have been complied with.

Directors' liabilities

The Company has granted an indemnity to one or more of its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the directors' report.

Directors' Statement as to Disclosure of Information to Auditors

The directors who were members of the Board at the time of approving the directors' report are listed on page 1. Having made enquiries of fellow directors and of the Company's auditors, each of these directors confirms that:

- a) to the best of each director's knowledge and belief, there is no information relevant to the preparation of their report of which the Company's auditors are not aware;
- b) each director has taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the Company's auditors are aware of that information.

By order of the Board



N Lambourne

For and on behalf of Capita Company Secretarial Services Limited
Secretary

21 September 2017

TR PROPERTY FINANCE LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice) including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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 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 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The directors are 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.

TR PROPERTY FINANCE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TR PROPERTY FINANCE LIMITED

We have audited the financial statements of TR Property Finance Limited for the period ended 30 September 2016 set out on pages 6 to 14. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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 auditor

As explained more fully in the Directors' Responsibilities Statement 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.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council'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 30 September 2016 and of its loss for the period then ended;
- have been properly prepared in accordance with UK 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 period for which the financial statements are prepared is consistent with the financial statements.

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Directors' report:

- we have not identified material misstatements in that report; and
- in our opinion, that report has been prepared in accordance with the Companies Act 2006.


TR PROPERTY FINANCE LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TR PROPERTY
FINANCE LIMITED (cont.)**

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 take advantage of the small companies exemption from the requirement to prepare a strategic report.



Richard Kelly (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants

15 Canada Square, Canary Wharf, London, E14 5GL

21 September 2017

TR PROPERTY FINANCE LIMITED

PROFIT AND LOSS ACCOUNT for the period ended 30 September 2016

	<u>Note</u>	<u>Period to</u> <u>30 September</u> <u>2016</u> <u>£'000</u>	<u>Year to</u> <u>31 March</u> <u>2015</u> <u>£'000</u>
Income from fixed asset investments	2	165	110
Administrative expenses	3	<u>(27)</u>	<u>(10)</u>
OPERATING PROFIT		138	100
Interest receivable	4	1,719	1,620
Interest payable and similar charges	5	<u>(3,617)</u>	<u>(2,960)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(1,760)	(1,240)
Taxation	6	<u>232</u>	<u>261</u>
LOSS FOR THE FINANCIAL PERIOD	11	<u>(1,528)</u>	<u>(979)</u>

There are no recognised gains or losses other than those stated above.

All items in the above statement derive from continuing operations.

The notes on pages 9 to 14 form part of these accounts.

TR PROPERTY FINANCE LIMITED

STATEMENT OF CHANGES IN EQUITY
for the period ended 30 September 2016

	<u>Period to</u> <u>30 September</u> <u>2016</u> £'000	<u>Year to</u> <u>31 March</u> <u>2015</u> £'000
Loss for the financial period	(1,528)	(979)
Shareholder's deficit brought forward	<u>(23,782)</u>	<u>(22,803)</u>
Shareholder's deficit at 30 September	<u>(25,310)</u>	<u>(23,782)</u>

The notes on pages 9 to 14 form part of these accounts.

TR PROPERTY FINANCE LIMITED

BALANCE SHEET at 30 September 2016

	<u>Note</u>	<u>30 September</u> 2016 £'000	31 March 2015 £'000
FIXED ASSETS			
Investments	7	16,210	16,210
CURRENT ASSETS			
Cash		13	16
Debtors	8	<u>29,189</u>	<u>44,742</u>
		29,202	44,758
CREDITORS - amounts falling due within one year	9	(70,722)	(84,750)
NET CURRENT LIABILITIES		<u>(41,520)</u>	<u>(39,992)</u>
NET LIABILITIES		<u>(25,310)</u>	<u>(23,782)</u>
CAPITAL AND RESERVES			
Called up share capital	10	1	1
Revaluation reserve	11	(12,040)	(12,040)
Profit and Loss Account	11	<u>(13,271)</u>	<u>(11,743)</u>
SHAREHOLDER'S DEFICIT		<u>(25,310)</u>	<u>(23,782)</u>

These accounts were approved by the Board on 21 September 2017.



J L Elliott - Director

The notes on pages 9 to 14 form part of these accounts.

TR PROPERTY FINANCE LIMITED

NOTES TO THE ACCOUNTS

1. Accounting Policies

a) Basis of Accounting

The accounts have been prepared under the historical cost basis of accounting and in accordance with the Companies Act 2006 and FRS102 – The Financial Reporting Standard applicable in the UK and Republic of Ireland (which is effective for periods commencing on or after 1 January 2015). The date of transition to FRS102 was 1 April 2015. Following the application of the revised reporting standard there have been no significant changes to accounting policies compared to those set out in the Company's Annual Report for the year ended 31 March 2015. There has been no impact on the Company's Profit and Loss Account, Balance Sheet or Statement of Changes in Equity (previously called the Reconciliation of Movements in Shareholder's Funds) for periods previously reported. The values contained within the financial statements and notes have been rounded to the nearest thousand pounds. All of the Company's operations are of a continuing nature.

The accounts have been prepared on a going concern basis as the Company's parent undertaking has agreed to continue to provide sufficient financial support for the foreseeable future to enable the Company to discharge its obligations as and when they fall due.

The accounts contain information about the Company as an individual company and do not contain consolidated financial information as the parent of a group. The Company is exempt under section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements of its parent, TR Property Investment Trust plc, a company registered in England.

b) Income and expenses

Income and expenses (including interest receivable and payable) are recognised on an accruals basis.

c) Investments

The Company's investments in subsidiary undertakings are stated at cost less any provision for permanent diminution in value.

d) Taxation and Deferred Taxation

The charge for taxation is based on the profit for the period and takes into account taxation deferred arising from timing differences between the treatment of certain items for taxation and accounting purposes. Deferred taxation is provided using the liability method on all timing differences, calculated at the rate at which it is anticipated the timing differences will reverse based on tax rates and laws enacted or substantially enacted at the balance sheet date. Deferred tax assets are recognised only when, on the basis of available evidence, it is more likely than not that there will be taxable profits in the future against which the deferred tax asset can be offset.

e) Cashflow

The Company is exempt under section 382 of the Companies Act 2006 from the requirement to prepare a cash flow statement as it meets the criteria of the small companies' regime.

TR PROPERTY FINANCE LIMITED

NOTES TO THE ACCOUNTS

f) Loan Notes and Debentures

Loan Notes and debentures are initially recognised at cost, being the fair value of the consideration received. The debenture issue costs are capitalised and amortised over the life of the debenture.

2. Income from Fixed Asset Investments

	<u>Period to</u> <u>30 September</u> <u>2016</u> £'000	<u>Year to</u> <u>31 March</u> <u>2015</u> £'000
Interest receivable from group undertakings	<u>165</u>	<u>110</u>

3. Operating Profit

	<u>Period to</u> <u>30 September</u> <u>2016</u> £'000	<u>Year to</u> <u>31 March</u> <u>2015</u> £'000
This is stated after charging:		
Audit fees*	<u>4</u>	<u>3</u>

No director earned any remuneration from the Company during the period (2015: nil).
No amounts were payable by the Company or any third party in respect of the directors' services to the Company for the period (2015: nil).

* In addition to the amount disclosed above audit fees of £14,000 have been borne (2015: £3,000) on behalf of other group undertakings.

4. Interest Receivable

	<u>Period to</u> <u>30 September</u> <u>2016</u> £'000	<u>Year to</u> <u>31 March</u> <u>2015</u> £'000
Interest receivable from group undertakings	<u>1,719</u>	<u>1,620</u>

5. Interest Payable

	<u>Period to</u> <u>30 September</u> <u>2016</u> £'000	<u>Year to</u> <u>31 March</u> <u>2015</u> £'000
Interest payable to group undertakings	2,016	1,175
Interest payable on loan stock and debentures falling due between 1 and 5 years	<u>1,601</u>	<u>1,785</u>
	<u>3,617</u>	<u>2,960</u>

TR PROPERTY FINANCE LIMITED

NOTES TO THE ACCOUNTS

6. Taxation on Net Return on Ordinary Activities

a) Analysis of credit for the period

	<u>Period to</u> <u>30 September</u> <u>2016</u> £'000	Year to 31 March <u>2015</u> £'000
UK Corporation tax:		
Group relief for the financial period	(232)	(260)
Group relief adjustment in respect of prior periods	<u>-</u>	<u>(1)</u>
Current and total tax credit for the period	<u>(232)</u>	<u>(261)</u>

b) Factors affecting current tax credit for the period

The tax assessed for the period ended 30 September 2016 is lower (2015: lower) than the standard rate of corporation tax in the UK of 20% (2015: 21%). The differences are explained below.

	<u>Period to</u> <u>30 September</u> <u>2016</u> £'000	Year to 31 March <u>2015</u> £'000
Net loss on ordinary activities before taxation	(1,760)	(1,240)
Corporation tax credit at 20% (2015: 21%)	(352)	(260)
Effects of:		
Prior period adjustment	-	(1)
Deferred tax not provided	<u>120</u>	<u>-</u>
Current and total tax credit for the period	<u>(232)</u>	<u>(261)</u>

TR PROPERTY FINANCE LIMITED

NOTES TO THE ACCOUNTS

7. Fixed Asset Investments

	<u>Shares in</u> <u>Subsidiary</u> <u>Undertakings</u> £'000	<u>Loan Notes</u> <u>Issued By</u> <u>Fellow</u> <u>Subsidiary</u> <u>Undertakings</u> £'000	<u>Total</u> £'000
At 1 April 2015 and 30 September 2016	<u>15,110</u>	<u>1,100</u>	<u>16,210</u>

The historical cost of the Company's investments at 30 September 2016 was £28,250,000 (2015: £28,250,000). In previous years a permanent diminution of £12,040,000 has been recognised on the Company's investments.

Details of the investments in which the Company holds more than 10% of the nominal value of any class of share capital are as follows:

<u>Name of Company</u>	<u>% of Ordinary</u> <u>Shares held</u>	<u>Nature of Business</u>
Trust Union Finance (1991) PLC	100	Investment Holding Company
New England Properties Limited		
- Direct	12	Property Investment Company
- Indirect #	70	

(held by subsidiary undertaking)

Both of the above companies are registered and operating in England and Wales.

TR Property Finance Limited is a wholly owned subsidiary of another company registered in the United Kingdom (see Note 12) and has dispensed with the requirement to prepare group accounts as permitted by s400 Companies Act 2006.

In the opinion of the directors, the aggregate value of the Company's shares in, and amounts due from, subsidiary undertakings is not less than the aggregate amounts at which they are included in the balance sheet.

TR PROPERTY FINANCE LIMITED

NOTES TO THE ACCOUNTS

8.	<u>Debtors</u> – amounts falling due within one year	<u>30 September</u> 2016 £'000	31 March 2015 £'000	
	Amounts due from parent undertaking	27,223	43,038	
	Amounts due from group undertakings	1,966	1,703	
	Other debtors and prepayments	-	1	
		<u>29,189</u>	<u>44,742</u>	
9.	<u>Creditors</u> – amounts falling due within one year	<u>30 September</u> 2016 £'000	31 March 2015 £'000	
	Amounts due to group undertakings	70,722	69,573	
	11.5% Debenture 2016	-	15,000	
	Other creditors and accruals	-	177	
		<u>70,722</u>	<u>84,750</u>	
10.	<u>Called Up Share Capital</u>	<u>30 September</u> 2016 £'000	31 March 2015 £'000	
	Authorised: 50,000,000 ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>	
	Allotted, called up and fully paid 1,000 ordinary shares of £1 each	<u>1</u>	<u>1</u>	
11.	<u>Reserves</u>	<u>Profit</u> <u>and loss</u> <u>account</u> £'000	<u>Revaluation</u> <u>reserve</u> £'000	<u>Total</u> £'000
	At 1 April 2015	(11,743)	(12,040)	(23,783)
	Loss for the financial period	<u>(1,528)</u>	-	<u>(1,528)</u>
	At 30 September 2016	<u>(13,271)</u>	<u>(12,040)</u>	<u>(25,311)</u>

TR PROPERTY FINANCE LIMITED

NOTES TO THE ACCOUNTS

12. Related undertakings

Details of the investments in which the Company holds any class of share capital are as follows:

<u>Name of Company</u>	<u>% of Ordinary Shares held</u>	<u>Nature of Business</u>
<u>Direct</u>		
New England Properties Limited	30	Property Investment Company
<u>Indirect (all through New England Properties Limited)</u>		
FGH (Newcastle) Limited	50	Non-trading company
FGH Developments (Aberdeen) Limited	50	Non-trading company
FGH Developments Limited	99.99	Non-trading company
NEP (1994) Limited	99	Non-trading company
New England (Southern) Limited	99	Non-trading company
New England Developments Limited	99.8	Non-trading company
New England Investments Limited	50	Non-trading company
New England Retail Properties Limited	99	Non-trading company
Sapco One Limited	99.99	Non-trading company

All of the above companies are registered and operating in England and Wales the registered office of 11 Hanover Street, London, W1S 1YQ.

13. Parent Undertaking

The parent undertaking of the group of undertakings for which group accounts are prepared and of which the Company is a member is TR Property Investment Trust plc, which is registered in England and Wales. Copies of the accounts of TR Property Investment Trust plc can be obtained from the Company Secretary, at TR Property Investment Trust plc, Company Secretary, Capita Company Secretarial Services, 40 Dukes Place, London, EC3A 7NH.

14. Related Party Transactions

The Company has taken advantage of the available exemption under the terms of FRS102, from disclosure of transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

15. Going Concern

As at 30 September 2016, the Company had net liabilities of £25,310,000 and is dependent on the continuing financial support of the TR Property Investment Trust plc group. The ultimate parent company, TR Property Investment Trust plc, has provided a guarantee under section 479C of the Companies Act 2006. On this basis the directors consider it appropriate to prepare the financial statements on a going concern basis.