

Company Registration Number

2663561

**Report and Accounts**

**TRUST UNION FINANCE (1991) PLC**

**31 March 2008**

THURSDAY



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COMPANIES HOUSE

# TRUST UNION FINANCE (1991) PLC

## DIRECTORS' REPORT

### Directors

P L Salsbury  
Ms C M Burton  
H Seaborn (appointed 11 September 2007)  
P Spencer (appointed 11 September 2007)  
R A Stone  
P H Wolton  
C M Turner  
Miss J L Elliott  
M A Phayre-Mudge

Secretary Capita Company Secretarial Services Limited

Registered Office 51 Berkeley Square, London W1J 5BB

The directors present their report and the audited accounts for the year ended 31 March 2008

### Business Review

The principal activity of the Company is that of an investment holding and finance Company

The Company will continue to act as an investment holding and finance Company for TR Property Investment Trust plc and its subsidiaries

The Company's principal investment is a holding in New England Properties Limited, which is valued at cost. The director's estimate of the value of that holding is in excess of the cost shown in the accounts.

The Company has in issue 8 125% Debenture stock 2008 which is guaranteed by a floating charge over the assets of the parent company, TR Property Investment Trust plc.

The Company's principal risk is the insolvency of its parent issuing the guarantee. TR Property Investment Trust has net assets in excess of £700m as at the Balance Sheet date and the directors regard this as an extremely unlikely event.

### Dividend

The Company has no distributable reserves and the directors do not recommend the payment of a dividend.

### Directors and their Interests

The directors of the Company during the year ended 31 March 2008 were those listed above.

All directors, except C M Turner, Miss J L Elliott and M A Phayre-Mudge are directors of the parent undertaking, TR Property Investment Trust plc, and their interests in the parent undertaking's share capital are shown in that company's accounts.

## TRUST UNION FINANCE (1991) PLC

### DIRECTORS' REPORT (cont.)

#### Directors and their Interests (cont.)

The interests of the directors who are not directors of TR Property Investment Trust plc in the share capital of TR Property Investment Trust plc, the ultimate holding company, at the beginning and at the end of the year are shown below

	Ordinary Shares of 25p		Sigma shares of 12.5p	
	01-Apr-07	31-Mar-08	01-Apr-07	31-Mar-08
J L Elliott	5,250	0	0	10,500
M A Phayre-Mudge	23,309	16,456	0	33,800
J F K Wilkinson	2,686	2,806	0	20,000
C M Turner	304,526	204,526	0	200,000

#### Creditor Payment Policy

It is the Company's purchasing policy to get the best terms from suppliers. The Company agrees with its suppliers the terms on which business will take place and it abides by these terms.

#### Auditors

A resolution to re-appoint Ernst & Young LLP as the Company's auditor will be put to the forthcoming Annual General Meeting.

#### 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



J Crehan

For and on behalf of Capita Company Secretarial Services Limited  
Secretary

9 September 2008

## TRUST UNION FINANCE (1991) PLC

### STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

The directors are responsible for preparing the Annual 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 elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 directors are 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 directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

## TRUST UNION FINANCE (1991) PLC

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TRUST UNION FINANCE (1991) PLC

We have audited the Company's financial statements for the year ended 31 March 2008 which comprise the Profit and Loss Account, Balance Sheet, Reconciliation of Movements in Shareholders' Funds and the related notes 1 to 12. These financial statements have been prepared on the basis of 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 auditors' 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 directors are responsible for the preparation of the annual report and the financial statements in accordance with applicable United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) as set out in the Statement of Directors' Responsibilities.

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 Directors' Report is consistent with the financial statements.

In addition we also 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 directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

## TRUST UNION FINANCE (1991) PLC

### **Basis of audit opinion**

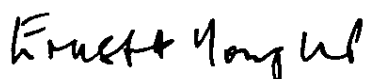
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements 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.

### **Opinion**

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2008 and of its loss 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 directors' report is consistent with the financial statements



Ernst & Young LLP  
Registered Auditor  
London  
Date 9 September 2008

## TRUST UNION FINANCE (1991) PLC

### PROFIT AND LOSS ACCOUNT for the year ended 31 March 2008

	<u>Note</u>	<u>2008</u> £'000	<u>2007</u> £'000
Administrative expenses	2	<u>(15)</u>	<u>(8)</u>
OPERATING LOSS		(15)	(8)
Interest payable and similar charges	3	<u>(2,047)</u>	<u>(2,042)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(2,062)	(2,050)
Taxation	4	<u>619</u>	<u>615</u>
LOSS FOR THE FINANCIAL YEAR	10	<u>(1,443)</u>	<u>(1,435)</u>

There are no recognised gains or losses other than those stated above and accordingly a Statement of Total recognised Gains and Losses is not presented

All results are in respect of continuing operations

The notes on pages 9 to 13 form part of these accounts

## TRUST UNION FINANCE (1991) PLC

### **RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS** **for the year ended 31 March 2008**

	<u>2008</u> £'000	<u>2007</u> £'000
Loss for the financial year and net reduction in shareholders' funds	(1,443)	(1,435)
Shareholders' deficit at 1 April	<u>(9,603)</u>	<u>(8,168)</u>
<b>Shareholders' deficit at 31 March</b>	<b><u>(11,046)</u></b>	<b><u>(9,603)</u></b>

### **HISTORICAL COST PROFITS AND LOSSES**

There are no differences between the amounts reported in the Profit and Loss Account and their historical cost equivalents

The notes on pages 9 to 13 form part of these accounts



# TRUST UNION FINANCE (1991) PLC

## BALANCE SHEET at 31 March 2008

	<u>Note</u>	<u>2008</u> £'000	<u>2007</u> £'000
FIXED ASSETS			
Investments	5	<u>13,163</u>	<u>13,163</u>
CURRENT ASSETS			
Debtors	6	1,473	2,895
CREDITORS - amounts falling due within one year	7	<u>(25,682)</u>	<u>(683)</u>
NET CURRENT ASSETS		<u>(24,209)</u>	<u>2,212</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		(11,046)	15,375
CREDITORS - amounts falling due after more than one year	7	-	(24,978)
TOTAL NET LIABILITIES		<u>(11,046)</u>	<u>(9,603)</u>
CAPITAL AND RESERVES			
Called up share capital	9	13	13
Other non distributable reserves		6,553	6,553
Profit and loss account deficit	10	<u>(17,612)</u>	<u>(16,169)</u>
TOTAL EQUITY SHAREHOLDERS' DEFICIT		<u>(11,046)</u>	<u>(9,603)</u>

These accounts were approved and authorised for issue by the Board on 9 September 2008

  
J L Elliott, Director

The notes on pages 9 to 13 form part of these accounts

# TRUST UNION FINANCE (1991) PLC

## 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 applicable accounting standards. All of the Company's operations are of a continuing nature.

The accounts have been prepared on a going concern basis as the 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 Company is a wholly owned subsidiary of another UK company and has dispensed with the requirement to prepare group accounts as permitted by s 228 Companies Act 1985.

#### **b Income Recognition**

Income and expenses are recognised on an accruals basis.

#### **c Investments**

Investments are stated at cost unless there has been impairment in value in which case they are written down to net asset value.

#### **d Taxation**

The charge for taxation is based on the profit 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 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. 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 Debentures**

Finance costs which include any issue costs and premium/discount on issue are charged at a constant rate of interest on the outstanding amount of the debt (including interest), over the life of the debenture.

#### **f Cashflow**

The Company has taken advantage of the exemption under FRS1 (revised), as a wholly owned subsidiary of TR Property Investment Trust plc, not to present a cashflow statement.

## TRUST UNION FINANCE (1991) PLC

### NOTES TO THE ACCOUNTS

#### 2 Administrative Expenses

	<u>2008</u> £'000	<u>2007</u> £'000
Administrative expenses include		
Auditors' remuneration		
Audit fees	<u>11</u>	<u>5</u>

No amounts were payable by the Company or any third party in respect of the directors' services to the Company for the year (2007 £nil)

#### 3 Interest Payable

	<u>2008</u> £'000	<u>2007</u> £'000
Finance costs on debentures falling due in November 2008	<u>2,047</u>	<u>2,042</u>

#### 4 Taxation on Net Return on Ordinary Activities

##### a Analysis of credit for the year

	<u>2008</u> £'000	<u>2007</u> £'000
UK Corporation tax		
Group relief surrendered for payment	<u>619</u>	<u>615</u>

##### b Factors affecting current tax credit for the year

The tax assessed for the year is equal to the standard rate of corporate tax in the UK

	<u>2008</u> £'000	<u>2007</u> £'000
Net loss on ordinary activities before taxation	<u>2,062</u>	<u>2,050</u>
Corporation tax at 30% and current tax credit for the year	<u>619</u>	<u>615</u>

# TRUST UNION FINANCE (1991) PLC

## NOTES TO THE ACCOUNTS

### 5 **Fixed Asset Investments**

£'000

Investment in subsidiary undertaking - at cost  
At 31 March 2008 and 31 March 2007

13,163

The "Investment in subsidiary undertaking" is a holding of 70 23% of the ordinary shares in New England Properties Limited, a company registered and operating in England and Wales. The principal activities of New England Properties Limited are property investment, development, dealing and property management services. In the opinion of the directors, the aggregate value of shares in New England Properties Limited is not less than the aggregate amount stated in the balance sheet.

### 6 **Debtors** - amounts falling due within one year

<u>2008</u>	<u>2007</u>
£'000	£'000

Amounts due from group undertakings

<u>1,473</u>	<u>2,895</u>
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### 7 **Creditors** - amounts falling due within one year

<u>2008</u>	<u>2007</u>
£'000	£'000

Debenture interest accrued

679	679
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8 125% Debenture Stock 2008

At beginning of year

24,978	-
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Amortisation of finance costs

16	-
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Other accruals

<u>9</u>	<u>4</u>
<u>25,682</u>	<u>683</u>

### **Creditors** - amounts falling due after more than one year

<u>2008</u>	<u>2007</u>
£'000	£'000

8 125% Debenture Stock 2008

At beginning of year

-	24,968
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Amortisation of finance costs

<u>-</u>	<u>10</u>
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At end of year

<u>-</u>	<u>24,978</u>
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The 8 125% debenture stock 2008 is guaranteed by a floating charge over the assets of the parent company, TR Property Investment Trust plc. The market value of this debenture at 31 March 2008 was £25,373,000 (2007 £25,867,000).

# TRUST UNION FINANCE (1991) PLC

## NOTES TO THE ACCOUNTS

### 8 Derivatives and other financial instruments

The Company's financial instruments are all in sterling and comprise

- Equity shares in subsidiary undertakings (see Note 5)
- Debenture stock, carrying a fixed rate of interest, issued to finance the Group's investing activities
- Short term debtors and creditors that arise directly from its operations (specifically debenture interest and amounts due to or from group undertakings)

It is, and has been throughout the year under review, the Company's policy that no trading in financial instruments nor use of derivatives shall be undertaken. The Company has no exposure to market price or foreign currency risks. The Company is exposed to the risk of fluctuation in the value of its unquoted investments. The Company's investments consist solely of equity investments in subsidiaries, which are not traded on any market. These factors are taken into account by the directors when arriving at the valuation.

Interest rate exposures at 31 March were as follows

	<u>2008</u> £'000	<u>2007</u> £'000
Non-interest bearing financial assets	<u>13,163</u>	<u>13,163</u>
Fixed rate financial liabilities	<u>24,994</u>	<u>24,978</u>

### 9 Called Up Share Capital

	<u>2008</u> £	<u>2007</u> £
Authorised 50,000 ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>
Allotted, called up and partly paid 50,000 ordinary shares of £1 each	<u>12,500</u>	<u>12,500</u>

### 10 Profit and Loss Account

	£'000
At 1 April 2007	(16,169)
Loss for the year	<u>(1,443)</u>
At 31 March 2008	<u>(17,612)</u>

## TRUST UNION FINANCE (1991) PLC

### NOTES TO THE ACCOUNTS

#### 11 Employees

The Company had no employees during the year (2007 nil)

#### 12 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, Capita Company Secretarial Services Limited, 17-19 Rochester Row, London, SW1P 1QT