

TRILLIUM GROUP LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

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TRILLIUM GROUP LIMITED

CONTENTS

	Page
Strategic report	1 - 2
Directors' report	3 - 4
Independent auditors' report	5 - 6
Statement of comprehensive income	7
Balance sheet	8
Statement of changes in equity	9
Notes to the financial statements	10 - 15

TRILLIUM GROUP LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2018

The directors present their Strategic Report for Trillium Group Limited (the "company") for the year ended 31 March 2018.

Principal activities, business review and future developments

Trillium Group Limited is the holding company for a number of subsidiaries. During the year, the company received dividends from one of its subsidiary undertakings, totalling £5,000 (2017: £27,878,000). Following the receipt of dividend, the carrying value of the investment was reduced to match the remaining net assets of the subsidiary, resulting in an impairment charge being recognised of £5,000 (2017: £4,678,000).

Total equity at 31 March 2018 was 10,885,000 (2017: 10,885,000) and the company's position is considered to be satisfactory.

It is not envisaged that the company will initiate any plans to restructure its principal activities in the forthcoming year.

The directors do not recommend the payment of a dividend.

Principal risks and uncertainties

The principal risk affecting the company is that its income is dependent on the ability of its subsidiary undertakings to pay dividends, and its dividend income can fluctuate significantly from year to year.

Financial risk management

The company's activities expose it to a number of financial risks including credit risk and liquidity risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below.

Credit risk

The company's principal financial assets are amounts receivable from group undertakings. The credit risk is considered to be low.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the company's long term and short term liquidity needs are reviewed on a periodic basis by management and the board.

Key performance indicators

Given the straightforward nature of the business, the company's directors are of the opinion that analysis using key performance indicators for the company is not necessary or appropriate for an understanding of the development, performance or position of Trillium Group Limited.

TRILLIUM GROUP LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018**

This report was approved by the board and signed on its behalf by:

A handwritten signature in black ink, consisting of a stylized 'A' followed by a horizontal line and a loop.

Aaron Burns
Company Secretary

Date: **18 OCT 2018**

TRILLIUM GROUP LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2018

The directors present their report and the audited financial statements for the year ended 31 March 2018.

Directors

The directors who served during the year and up to the date of signing the financial statements were:

Adam Dakin
Graham Edwards
Russell Gurnhill
Michael Hackenbroch (appointed 4 September 2017)
Graeme Hunter
Warren Persky (resigned 19 September 2017)

Qualifying third party indemnity provisions

Qualifying third party indemnity provisions (as defined by section 234 of the Companies Act 2006), commonly known as Directors and Officers insurance, in relation to certain losses and liabilities which the directors may incur (or have incurred) to third parties in the course of their professional duties, were in force for the directors for their periods of directorship and at the date of this report.

Matters covered in the strategic report

Details of principal activities, business review, financial risk management and future developments are provided in the Strategic Report on page 1 and form part of this report by cross-reference.

Directors' responsibilities statement

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

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, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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.

The directors 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.

TRILLIUM GROUP LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018**

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report was approved by the board and signed on its behalf by:



Aaron Burns
Company Secretary

Date: **18 OCT 2018**

Report on the audit of the financial statements

Opinion

In our opinion, Trillium Group Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2018 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 March 2018; the Statement of Comprehensive Income, the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

TRILLIUM GROUP LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TRILLIUM GROUP LIMITED

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 March 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

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.


Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Suzanne Woolfson (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

18 OCT 2018

TRILLIUM GROUP LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2018**

	Note	2018 £000	2017 £000
Income from investments in group undertakings		5	27,878
Amounts written off investments	7	(5)	(4,678)
Result/profit before tax		<u>-</u>	<u>23,200</u>
Tax on result/profit	6	-	-
Result/profit and total comprehensive income for the financial year		<u><u>-</u></u>	<u><u>23,200</u></u>

All amounts relate to continuing operations.

The notes on pages 10 to 15 form part of these financial statements.

TRILLIUM GROUP LIMITED
REGISTERED NUMBER: 03515012

BALANCE SHEET
AS AT 31 MARCH 2018

	Note	2018 £000	2017 £000
Fixed assets			
Investments	7	10,873	10,878
		<u>10,873</u>	<u>10,878</u>
Current assets			
Debtors: amounts falling due within one year	8	12	7
		<u>12</u>	<u>7</u>
Net current assets		12	7
Total assets less current liabilities		<u>10,885</u>	<u>10,885</u>
Net assets		<u>10,885</u>	<u>10,885</u>
Capital and reserves			
Called up share capital	9	5	5
Share premium account		4,678	4,678
Retained earnings		6,202	6,202
Total equity		<u>10,885</u>	<u>10,885</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



Michael Hackenbroch
Director



Russell Gurnhill
Director

Date: **18 OCT 2018**

The notes on pages 10 to 15 form part of these financial statements.

TRILLIUM GROUP LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2018**

	Called up share capital £000	Share premium account £000	Retained earnings/ (Accumulated losses) £000	Total equity £000
At 1 April 2016	5	4,678	(16,998)	(12,315)
Comprehensive income for the year				
Profit for the financial year	-	-	23,200	23,200
Total comprehensive income for the year	-	-	23,200	23,200
At 1 April 2017	5	4,678	6,202	10,885
Result for the financial year	-	-	-	-
Total comprehensive income for the year	-	-	-	-
At 31 March 2018	5	4,678	6,202	10,885

The notes on pages 10 to 15 form part of these financial statements.

TRILLIUM GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

1. General information

Trillium Group Limited ("the company") is a private company limited by shares, and is incorporated in England and Wales. The principal activities of the company are disclosed in the Strategic Report on page 1 and the registered office is disclosed in note 10.

2. Accounting policies

Basis of preparation of financial statements

The financial statements have been prepared on a going concern basis, under the historical cost convention and in compliance with the Companies Act 2006 and FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ("FRS 102").

The financial statements have been prepared in Sterling (rounded to the nearest thousand pounds), which is the functional and presentational currency of the company.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (note 3).

The company is itself a subsidiary company and is exempt from the requirement to prepare group financial statements by virtue of section 400 of the Companies Act 2006. These financial statements, therefore, present information about the company as an individual undertaking and not about its group.

Financial reporting standard 102 - disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102:

- preparation of a statement of cash flows in accordance with the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d) and Section 7 Statement of Cash Flows;
- certain financial instrument disclosures in accordance with the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48A; and
- related party disclosures in accordance with paragraph 33.1A of FRS 102, where the company transacts with other wholly owned subsidiaries of the wider group.

The following principal accounting policies have been applied consistently to all years presented unless stated otherwise:

Valuation of investments

Investments in subsidiaries are carried at cost less any provision for impairment in value.

The carrying amount of the company's investments are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised in the profit and loss account whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of an asset is the greater of its net selling price and its value in use.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

2. Accounting policies (continued)

Financial instruments

(i) Financial assets

Basic financial assets including amounts due from group undertakings, are recognised initially at transaction price, unless the transaction constitutes a financing arrangement, e.g. significantly deferred credit terms, where the transaction is measured at the present value of future receipts discounted at the market rate of interest. Such assets are held at amortised cost using the effective interest rate method.

Financial assets are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

The impairment loss is measured as the difference between an asset's carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed the amount at which the asset would have been stated, had the impairment not previously been recognised. The impairment reversal is recognised in the Statement of Comprehensive Income.

Financial assets are derecognised when the contractual rights to the cash flows from the asset expire or are settled, or substantially all the risks and rewards of the ownership of the asset are transferred to another party, or control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(ii) Financial liabilities

Basic financial liabilities including amounts due to group undertakings, are recognised initially at transaction price, unless the transaction constitutes a financing arrangement, where the debt instrument is measured at the present value of future payments discounted at the market rate of interest. Such liabilities are held at amortised cost using the effective interest rate method.

Debt instruments (other than those wholly repayable within one year), including loans and other creditors, are subsequently carried at amortised cost, using the effective interest method.

Debt instruments that are payable within one year, typically trade creditors are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

(iii) Offsetting

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Dividends

Dividends receivable are recognised in profit before taxation in the period when the right to receive payment is established.

Dividend distributions to the company's shareholders are recognised as a liability in the period in which the dividends are approved by the company's shareholders or, in the case of interim dividends, when they are paid.

TRILLIUM GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions in certain circumstances that affect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the accounts and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from these estimates. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

Investment valuation

The company reviews the carrying value of its investment in subsidiaries at each balance sheet date with reference to the net asset value in each subsidiary's latest financial statements and also to forecast future cash flows, if necessary.

4. Auditors' remuneration

	2018 £000	2017 £000
Fees payable to the company's auditors and their associates for the audit of the company's annual financial statements	2	2
	<hr/>	<hr/>
	2	2
	<hr/>	<hr/>
Fees payable to the company's auditors and their associates in respect of:		
The auditing of financial statements of associates of the company pursuant to legislation	18	18
	<hr/>	<hr/>
	18	18
	<hr/>	<hr/>

The audit fee for the year was paid and borne on the company's behalf by a fellow group undertaking.

TRILLIUM GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

5. Directors' emoluments

	2018 £000	2017 £000
Aggregate emoluments excluding long term incentive schemes and pensions	11	8
Aggregate amounts receivable in respect of long term incentive schemes	91	76
Payments to defined contribution pension scheme	-	-
Payment for loss of office	24	-
	<u>126</u>	<u>84</u>

Directors are remunerated by Telereal Services Limited, a fellow group undertaking. Of the emoluments paid by Telereal Services Limited in the year ended 31 March 2018, £nil related to the services to this company, which were of negligible value.

Retirement benefits are accruing to two (2017: one) directors under a defined contribution scheme and no (2017: no) directors under a defined benefit scheme.

The company did not have any employees during the year under review (2017: nil).

6. Taxation

	2018 £000	2017 £000
Total current tax	<u>-</u>	<u>-</u>

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2017 - lower than) the standard rate of corporation tax in the UK of 19% (2017 - 20%). The differences are explained below:

	2018 £000	2017 £000
Result/profit before tax	<u>-</u>	<u>23,200</u>
Result/profit before tax multiplied by standard rate of corporation tax in the UK of 19% (2017 - 20%)	-	4,640
Effects of:		
Non-tax deductible impairment of subsidiary	1	936
Dividends from UK companies	(1)	(5,576)
Total tax charge for the year	<u>-</u>	<u>-</u>

TRILLIUM GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

6. Taxation (continued)

Factors that may affect future tax charges

For the years ending 31 March 2019 and 2020, the main rate of corporation tax will be 19%. The Spring Budget 2017 announced that the main corporation tax rate for the year ending 2021 will be reduced to 17%.

7. Fixed asset investments

	Investments in subsidiary companies £000
Cost	
At 1 April 2017	15,556
At 31 March 2018	<u>15,556</u>
Impairment	
At 1 April 2017	4,678
Charge for the year	5
At 31 March 2018	<u>4,683</u>
Net book value	
At 31 March 2018	<u>10,873</u>
At 31 March 2017	<u>10,878</u>

During the year, PPM Holdings Limited declared and paid a dividend to Trillium Group Limited which reduced its net assets to below the carrying value of the investment included in the cost above. As such, the directors considered it necessary to provide for an impairment of the investment to the net asset value, which is recognised in the Statement of Comprehensive Income.

In the opinion of the directors, the value of the investments is not less than the amount at which they are shown in the company's balance sheet.

The following were subsidiary undertakings of the company, all wholly owned and registered at 140 London Wall, London EC2Y 5DN:

Subsidiary undertakings

Name	Principal activity
Trillium Property Services Limited	Overhead and service company
Trillium Bastion House Limited	Property management and services
PPM Holdings Limited	Holding company

TRILLIUM GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

8. Debtors

	2018 £000	2017 £000
Amounts owed by group undertakings	12	7
	<u>12</u>	<u>7</u>

There are no material differences between the carrying value and fair value of debtors as at 31 March 2018 or 31 March 2017.

Amounts owed by group undertakings are unsecured, interest free and repayable on demand. (2017: interest free).

9. Called up share capital

	2018 £000	2017 £000
Shares classified as equity		
Allotted, called up and fully paid		
4,736 (2017: 4,736) Ordinary shares of £1 each	5	5
	<u>5</u>	<u>5</u>

10. Controlling party

Trillium Group Limited is a wholly owned subsidiary of Trillium Holdings Limited, which is the parent company of the smallest group for which consolidated financial statements are prepared that include the company.

The ultimate parent undertaking and controlling party is Field Nominees Limited (incorporated in Bermuda), as nominee for the B Pears 1967 Family Trust. The largest parent undertaking to consolidate these financial statements is Tele-Finance Holdings Limited, which is incorporated in the British Virgin Islands.

The registered office and principal place of business of Trillium Holdings Limited and Trillium Group Limited is:

140 London Wall
London
EC2Y 5DN